

NATION'S BUSINESS



See
MANAGEMENT'S

Washington
LETTER

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"FOR JOE AND PETE AND JACK AND HARRY..."

We took the beach-head at dawn.

Our destroyers stood out to sea and threw in the shells and our planes pounded hell out of their pill boxes, and then we came in . . .

But, the wind and the tide tricked us.

The landing boats grounded off shore and we jumped over the sides and stood in the warm, shallow water and stared at the faraway beach and then at each other . . . and our eyes and our mouths were wide with fear as we waded in . . .

And we fell under their guns like wheat to the blade of the reaper. And though they said we could never take it . . . at dawn on the third day we took it.

I'm not fighting for myself alone . . .

I'm fighting for the buddies who fell beside me . . . for Joe and Pete and Jack and Harry. For the flag they loved, and their kids back home, and the faith they held in their right to be free . . . for the future and the life that they gave up . . . for the things that make America the one country in all the world where a man can be somebody . . . where a man can go somewhere.

I know why I'm still out here.

I know what's got to be done.

And I'm not coming back until I'm through with my knife and my gun . . . until I know that terrorism and the lust to kill and enslave are forever dead . . . until all men and women and children can live without fear . . . as free individuals in a land, and a world, where there will always be liberty, equality and freedom of opportunity.

That's what they fought and died for.

That's what I'm fighting for.

That's America.

Keep it that way until I come back.

Here at Nash-Kelvinator we're building Pratt & Whitney engines for the Navy's Vought Corsairs and Grumman Hellcats . . . Hamilton Standard propellers for United Nations bombers . . . governors, binoculars, parts for ships, jeeps, tanks and trucks . . . readying production lines for Sikorsky helicopters. All of us devoted to winning this war . . . to speeding the peace when our men will come back to their jobs and homes and even better futures than they had before . . . to the day when together we'll build an even finer Kelvinator, an even greater Nash!



The Army - Navy
ACW awarded to
Nash-Kelvinator
Corp., Propeller
Division.

NASH-KELVINATOR CORPORATION
Kenosha • Milwaukee • DETROIT • Grand Rapids • Lansing

Let's ALL back the attack!
Buy EXTRA war bonds.



NASH AUTOMOBILES **KELVINATOR**
REFRIGERATORS • ELECTRIC RANGES

Nation's Business



CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 32

FEBRUARY, 1944

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Is this your line of thinking?

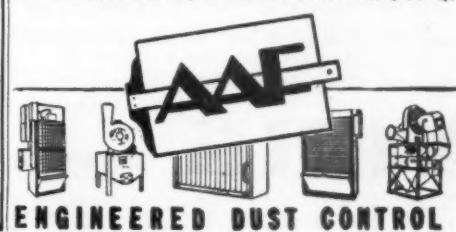
... in connection with our post-war plans ... we are confronted with certain manufacturing operations requiring clean air, and others involving grinding dust ... we wish information on the use of your equipment."

OUR POST-PEACE PLANNING DEPENDS ON YOU!—For actually until we know what your dust problem is—we can't go to work—even though the equipment, around which all AAF dust control systems are engineered, is available. May we, therefore, suggest that you send for literature NOW preliminary to discussing your problems soon with one of our engineers.

AMERICAN AIR FILTER CO., INC.

INCORPORATED

109 Central Avenue, Louisville, Ky.
In Canada: Darling Bros., Ltd., Montreal, P. Q.





What happens when you fire a 75 in the stratosphere

That's the sixty-four dollar question in the Army Air Force today. And to help flyers, ballistics experts and gunners to get the answer, York is now building a twin-cell strato-chamber which will include the world's shortest firing range . . . twenty-two feet long . . . and employ a concrete back-stop loaded with twenty tons of sand.

With a 75 millimeter gun mounted in the operating chamber, its muzzle projecting into the concussion chamber beyond, aerial gunners will be able to study heavy calibre firing under stratosphere conditions for the first time.

As the strato-chamber simulates flight from sea level to more than 50,000 feet in twelve minutes, temperature is

reduced from +70°F. to -70°F. and air pressure from 14.7 pounds to 1.68 pounds per square inch. Thus U.S. airmen will soon know what happens to firing mechanisms, gun barrels and ammunition subjected to this sudden drop of 140° in temperature . . . whether the shell goes faster and farther when there's less air in its way . . . the effect of increased concussion on gun and crew.

And, as always, what is now being learned in the strato-chamber will one day find unsuspected corollaries in the arts of peace.

York Corporation, York, Penna.



YORK REFRIGERATION AND AIR CONDITIONING FOR WAR

HEADQUARTERS FOR MECHANICAL COOLING SINCE 1865



Our Strength

No nation ever approached the almost unbelievable production of American industry since this country has been at war. And no transportation system anywhere ever carried the volume of traffic moved by the American railroads.

Our combined unparalleled achievement is no overnight miracle. It stems from the love of liberty of our forefathers, who fought and died to establish a new design for living—the American way of freedom.

The keystone of this design is the God-given right of every individual, business and industry to venture, and to progress. Everything we have—our great industries, our railroads, our high standard of living . . . our strength . . . are the fruits of individual initiative and free enterprise.

What about the future? If we are to win that hoped and prayed-for Victory in 1944 or 1945, if we are to win the Peace, the individual and industry must be allowed to go forward without shackles and regimentation.

The flower of this land is fighting and dying on the battle fronts to preserve the American way of life. What shall we have to offer those who come back? A country where government is the master? Or the America of opportunity and free enterprise—where government is the servant?

If we lose this fight at home, we destroy all for which they fight.

**Norfolk
and Western
Railway**
BUY MORE WAR BONDS

Through the Editor's Specs

Communiqué from the dog house

IN COMMENTING in the December number about an OPA operative who was ushered out of a food market because the proprietor said he was disturbing the peace, we stated that the incident occurred in Shillington (pop. 918), Lancaster County, Pa.

Behind an emplacement of indignant mail, we now hasten to state that we know—tardily, perhaps, but full well—that Shillington is in Berks County and the population is 4,932. In fact, we are now practically an authority on Shillington, Berks County, Pa. We know, as one of our correspondents tells us, that "Shillington has a great deal of local pride." That thought had begun to impinge itself on us almost as soon as our Christmas number had reached subscribers and the mail began to come in.

We know, too, that "comments and praise from all over the United States have been received concerning its schools." We wish the girl we sent to the atlas to find Shillington had attended one of them. She mistook map coordinates or something for population figures.

Just the same, we can't help but take comfort from this experience. It shows that the sort of civic pride that built up this country is still alive. Moreover, next time we mention Shillington, we won't even trust the 1940 census figures. A town with such boosters will not long have only 4,932 population.

And while we're at it

LET US now make belated obeisance to the Pittsburgh Steelers (now the Steagles) professional football team. In that same December number we bestowed a mild accolade on the U. S. O. Variety Club Canteen as an example of Pittsburgh municipal enterprise. We applauded the Chamber of Commerce, labor unions, the Pennsylvania Railroad and assorted other organizations which combined their efforts to establish an outstanding recreation center for service men.

But, because we didn't know, we said no word about the professional football-

ers who played an exhibition game with a picked soldier team from Ft. Knox, Ky., nor the University of Pittsburgh which donated the stadium in which the game should be played. Anyhow some 25,000 football enthusiasts witnessed the contest from which the entire proceeds went to the Canteen Fund.

We are glad to correct this omission but we wish that J. R. Lorimer who took us kindly to task for it had been a trifle more explicit.

He didn't say who won the football game.

Editor's nightmare

A READER with a memory, Mr. C. H. Triplett, of Pine Bluff, Ark., asks us what we think today of an editorial we published in February, 1928. It was a discussion of the federal budget. The national debt on June 30, 1927, was \$18,500,000,000.

At the rate of retirement, we pointed out that that portion of the war debt due directly to our part in the war would be paid off in less than 25 years, "leaving for the next generation the question of whether we shall collect from Europe the balance of the money owed us or cancel these obligations and undertake to pay them off ourselves by taxation."

Well, we made the decision, didn't we? Or, anyway, somebody did.

Gentle reader statistics

THE MAIL THAT comes to an editor's desk, more than anything else tells him who his readers are and what they are thinking. But it can be misleading. Let him, for example, mention Mt. Vernon as Washington's birthplace, and the letters advising him that Washington was born in Wakefield, will make it seem that all his readers are specialists in the life of Washington. Or let him catch a trout with a worm and he soon will find evidence that all his readers are fly fishermen.

So we welcomed a tabulation the circulation department sent in today. It reveals that 126,736 of our more-than-400,000 subscribers are presidents of their organizations; 105,470 are man-



LOOKING AHEAD TO VICTORY

YOU, your business and, above all, your public officials are not unduly optimistic in making detailed plans now for postwar construction. On the contrary, it is patriotic as well as practical forehandedness.

* * *

After Victory and demobilization, returning service men will need work. Blueprinting now for deferred construction makes sure that jobs will be ready then, without delay. Millions of manhours of quick employment are represented by needed repairs and additions to water supply systems alone. It is a patriotic obligation to be ready to start such construction immediately. After Victory, Industry must have time to convert from war work to peacetime production. If you want to build a home or a factory or an under-

ground main right after the War, it is practical forehandedness to get your blueprints ready now.

* * *

One material that will be available after the War — and that's available now with proper priorities — is cast iron pipe, the standard material for water, gas and sewer mains. Meeting the great demand for this material, in construction for war needs, has necessitated keeping cast iron pipe foundries intact and at full efficiency. A further contribution to the war effort is the work of our members' machine shops and special foundries in partial or complete production of war materiel.

NO. 1 TAX SAVER

CAST IRON

Pipe bearing the above mark is cast iron pipe.
Made in sizes from 1 1/4 to 84 inches.

CAST IRON PIPE

RESEARCH ASSOCIATION CHICAGO

agers; 28,190 are treasurers; 42,292 are secretaries and treasurers; 25,303 are partners or owners; 1,759 are chairmen of boards and directors and 28,118 are vice-presidents.

That last figure puzzles us a little because we know the ratio of vice-presidents to presidents must be at least four to one.

We can't understand why it is reversed among NATION'S BUSINESS subscribers unless a lot of vice-presidents are reading the bosses' copies.

War's little ironies

WHILE THE United States is making rubber of petroleum, Japan is making petroleum of rubber.

Japan's most severe case of economic stomach-ache in her conquered territories is rubber. With the bulk of the world's rubber trees in their hands in Malaya and the Netherlands Indies, the Japanese can use only a small part of their captured rubber for two reasons: (1) their own needs are relatively modest, and (2) they lack the shipping to get even such rubber as they can use to Japan.

Tokyo's radio propagandists are amusing in their attempts to convince the outside world that Japan is profiting by her new-found rubber supply. They claim that rubber is being used for paving roads and airfield runways in Southeast Asia, as well as for making oil to use in fighting malaria and for the manufacture of synthetic gasoline — which latter casts some light on the oil situation in the Indies.

The Japanese boast also of building rubber "ships" — probably barges which are loaded with goods for Japan and dismantled for processing in rubber factories. This is a commentary on the Japanese shipping shortage. Slightly more plausible is the report that rubber land in Borneo is being converted to rice production, and that Indies rubber trees are being made into paper. But Dutch experts doubt that the Japanese have destroyed any considerable part of the billion and a quarter rubber trees in the Indies, or of the larger number in Malaya.

Straw in the wind

IMPORTS BY AIR for '43 totaled 41,000,000 pounds valued at \$116,209,000, reports Donald M. Nelson, chairman of WPB.

"That's about six per cent of the value of the cargo imported by ship," he adds.

It gives thought, too, of the part air transport may play in world trade after the war.

Wives on husbands' jobs

AFTER the war, National Biscuit Company salesmen are going to have to be careful about what they say to their wives about how wearing is their day's work and how hard they have to toil to make a living for the family.

The wives will know from up and down on the subject. They themselves will be

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experienced biscuit salesmen, retired.

The company is putting into operation a tested plan whereby the wife of an inducted salesman is allowed (encouraged, in fact) to take over her husband's job for the duration—with the understanding that she will give the job right back to the head of the house when he gets out of the Service.

"The plan is proving to be a highly successful wartime measure," company officials report. "So far everyone seems to like the idea—the husbands, the wives and the customers."

In a nutshell

WRITING IN the *Wall Street Journal*, Thomas F. Woodlock has recently had much to say to the effect that frequently those who boast most loudly of their "liberalism" are actually trying to foster a false liberalism. Challenged by a reader to define "liberalism" and "false liberalism" he replied with two definitions that seem worth passing on to everyone who fancies himself either liberal or illiberal. Here they are:

"It has long seemed to this writer that the difference between the liberal mind and the illiberal (for false 'liberalism' is in fact illiberal) could be generally expressed by comparing two statements. The liberal man says: 'I ask for myself nothing that I am not willing that my neighbor shall also have'; the illiberal man says: 'Nobody should have anything which I have not.'"

Our war casualty

FOR THE DURATION, we are discontinuing The Map of the Nation's Business.

Except for a brief period in '33, the Map has appeared regularly for more than a quarter of a century. It has always been a popular feature with our readers. It has become, in fact, almost a NATION'S BUSINESS trade-mark.

Why, then, are we dropping it?

Simply because of late, it has had little to tell that's new.

The Map's job was to show current business conditions throughout the country compared with last year and last month. In most sections, business has climbed to a high plateau and promises to stay there for some time. There's practically nothing to compare. So the Map is out. It'll be back again when "peace breaks loose" and business again becomes normal.

Danger signals flying

YOU'LL RECALL the indignation of the returning dough-boy of World War I when he found the country had gone dry during his absence. Well, the nation had better watch its step or the soldier of W. W. II will have greater cause for righteous anger. "Something should be done" to stop in its tracks a move on the part of our educational system to train the women to meet the crises of everyday living.

It started at Pennsylvania State College. At a co-ed's request, a class in home



SETTING a new record of 725,000,000,000 ton miles in 1943, your railroads handled a volume of traffic exceeding anything in the history of transportation.

This volume was 80% greater than the previous wartime peak in 1918. It was 73% greater than the previous all-time peak.

This staggering transportation job handled by Erie and other American railroads was made possible by the day-by-day cooperation of the public, the shippers, the armed forces, and government agencies.

Ahead lies a bigger job of transportation because America is attacking.

1943 was the year to get ready.

1944 is the year to go!

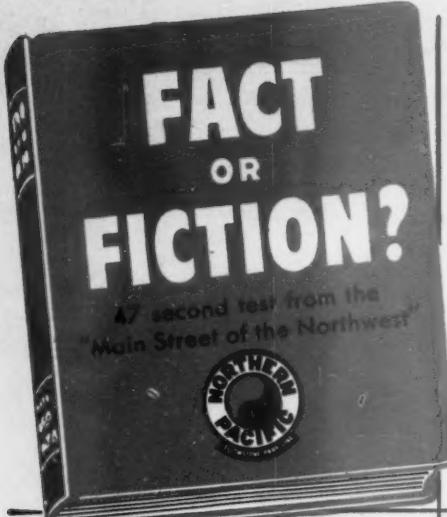
With your continued helpful cooperation, Erie and other American railroads will keep 'em rolling until victory is won.

23,578	FREIGHT TRAINS DAILY
1,408,964	FREIGHT CARS DAILY
25,000,000	NET TONS DAILY
AMERICAN RAILROADS AT WAR	

Erie Railroad

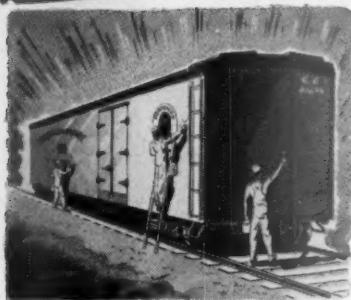
Buy War Bonds and Stamps





Q. Many U. S. Paratroopers owe their lives to Oregon flax plants. Fact or fiction?

A. Fact. Willamette Valley flax fiber is used to make parachute webbing. The Northern Pacific Railway last year hauled 5 million pounds to mills.



Q. "Varnished cars" is railroad slang for a special type of refrigerator car. Fact or fiction?

A. Fiction. "Varnished cars" means a passenger train. Every day "varnished cars" full of troops and war personnel speed along Northern Pacific tracks.



Q. Modern hens, under war pressure, average 67 eggs a year. Fact or fiction?

A. Fiction. Average is 117 in Oregon, Washington, Idaho, Montana, North Dakota, Minnesota, which ship 216 million eggs yearly via Northern Pacific.



Q. Scoring butter means churning it by hand. Fact or fiction?

A. Fiction. Score is measure of quality. The Northwest shipped 52,200,000 lbs. of high scoring butter via the Northern Pacific Railway in 1943.



Q. Millions of people in the Northwest live on one "Main Street". Fact or fiction?

A. Fact. It's the Northern Pacific Railway—called "Main Street of the Northwest" because it links more of the Northwest's important populous centers.



NORTHERN PACIFIC
MAIN STREET OF THE NORTHWEST



mechanics was organized. The movement quickly spread to the town's high school, and is gaining momentum.

Any honest male will admit that, faced by a bureau drawer that sticks, a recalcitrant lock, a leaky faucet, he has frequently retired to find his tools, only to discover on his return that the wife had repaired the trouble with a convenient hairpin. And that with no training.

Consider now the returning hero. He can replace a worn differential shear pin on a 6 x 6 truck while lying on his back in six inches of mud; he can strip a machine gun in the dark with no tools but a live round; he can sight Polaris through a thunderstorm and hit an unknown runway by dead reckoning. But can he change the dust bag on a vacuum cleaner or find out why the door bell doesn't work? And who can be a war hero squatting in the front yard calling: "Hey, ma, the lawn mower won't cut."

Now with monkey wrench and pliers, with the hammer and the nail. The female of the species is more deadly than the male.

Half again as good

"WE RECEIVED a card some time ago," says the Middle Atlantic Lumbermen's Association, "from Andy Anderson, a mighty lumber salesman before this war took so many good men off the road. 'Andy' is working in one of the defense plants and he wrote as follows: 'Having a wonderful time and a half!'"

Another shortage

A NEW, unadvertised shortage creeping up on the U. S. public will soon be found in safety deposit boxes. White-collar workers and wage earners clutching War Bonds in their hands are swarming into banks and trust companies, renting safety deposit boxes for the first time in their lives, reports the Northwestern National Life Insurance Company.

Safety box occupancy is at an all-time high; most banks are already sold out on small boxes, which comprise the great majority of their safe deposit receptacles.

Prior to the outbreak of war with its resulting wave of pay boosts, an estimated 50 per cent of the approximately 11,000,000 safety deposit boxes in the United States were rented.

Once acquired, it is predicted the safety box habit will carry on after the war.

Brightest spot!

"THE BRIGHTEST spot in world politics today is the fact that business leaders in the United States are making plans for full employment through private enterprise, starting with the armistice; and full employment means plenty of buyers and lively markets for farm products. It was private enterprise that made Uncle Sam rich enough to be the world's best customer. Private enterprise made America the bountiful source of world prosperity. Some seek to de-



Nimble Fingers busily wasting time

that Multilith can save

A SYMPHONY of clattering keyboards does not necessarily mean an efficient office system at work.

In many cases—too many cases—these machines are being kept busy, writing the same characters, words, and sentences over and over—wasting time and manpower.

Wherever repetitive data is being put on paper, there, undoubtedly, is a place where Multilith master sheets can save valuable time and motion.

A wartime development which greatly extends the uses of Multilith duplicating is a new type of master sheet called a Systemat. It is revolutionizing many office methods and operations. Systemat master sheets are furnished with a business form already on them in reproducing ink. "Variable" information—to complete pur-

chase orders, job orders, shipping documents, packing slips, instruction sheets, and scores of other forms—is then typed or written in on the Systemat which is then ready for direct Multilith reproduction of dozens, or hundreds, of accurate, permanent, black-on-white facsimiles—*every one an original*.

Let a Multigraph representative show you, without cost or obligation, how Multilith Duplicating Methods can fit right into your office systems to save you time and money in every department of your business where repetitive writing is involved.

Millions of Multilith Systemats are being used by U. S. military forces. Of course, their requirements take precedence over civilian demands. Addressograph-Multigraph Corporation—Cleveland. Sales agencies with service and supply departments in principal cities of the world.



Multilith Duplicator, Model 1250

Multilith Models from \$395 to \$3725

Multigraph Models from \$150 to \$2035

Multigraph
TRADE-MARK REG. U. S. PAT. OFF.
SIMPLIFIED BUSINESS METHODS

Multilith, Systemat, Addressograph and Multigraph are Registered Trade Marks of Addressograph-Multigraph Corp.

A NEW RESOURCE HAS BEEN DEVELOPED

THE WEALTH of America has been wrought from her natural resources of fertile lands, wide forests and rich mineral deposits by the brains and muscles of her people.

But another resource is now available. A new source of wealth and well-being has been developing gradually and almost unnoticed which is tremendously important today and of still greater importance for tomorrow.

This new resource is the research laboratory.

Today, in hundreds of industrial and college laboratories, trained minds are expanding the world's knowledge, and applying the results of research to industry and to war.

In the Bell System, research has always been a fundamental activity.

The telephone was invented in a research laboratory. And for years Bell Telephone Laboratories has been the largest industrial laboratory in the world.

Underlying modern research is the realization of vast latent values in nature. Although the lone genius does from time to time bring to light some part of these hidden values, only organized scientific research can assure the thorough exploration that will render the full measure of use for human welfare.

Research means imagining and experimenting. It means the searching out and bringing together of facts. It means clear statements of problems, precise measurements and keen analysis. It means tenacious following along unexpected paths.



These are the procedures of research. Its consummation is the grasping by subtle minds of relationships in nature no one has previously known. And on the basis of the broader knowledge so established are built new materials, new methods and new structures to serve the people of America.

The Bell Telephone Laboratories has now concentrated its efforts on communication systems and equipment for the armed forces. When the war is over its researches in communication will again be applied to an ever-improving telephone service in America.

BELL TELEPHONE SYSTEM



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NOW THAT WEIGHT ENTERS INTERNATIONAL AFFAIRS

Weight and strength were once thought to be all but inseparable qualities. Now strength and lightness are the spotlight team. And present demands of mobile war are daily establishing permanent emphasis on lightness for the future.

With remote places eyeing American conveniences; with an even broader home market to plan for, there's no point in penalizing new products with old ideas or loading freight costs with dead weight.

Think what a smart designer can do with lightness! One manufacturer, for a specific example, designed a truck weighing 8,750 pounds. Redesigned in Alcoa Aluminum for lightness with equal strength, it weighed only 5,740 pounds. Aluminum increased the pay load 3,010 pounds!

By the same principles, automobiles made lighter with aluminum use less gasoline. Large reciprocating machines if built with aluminum,

vibrate less, and run at much higher speeds without hopping off their foundations. And they last longer.

Anything that moves, or is moved, is more economical of power, or time, or muscle, if light in weight. That goes for a baby coach or a railway coach.

Since economy of operation gives

Lightness

ONE OF

12 REASONS FOR USING

ALCOA

ALUMINUM

ALCOA

REG. T.M.

more people a chance to buy, it must be a prime factor in future products. Freedom from all the things the world wants to be free of, must be based on the principle of more things for more people, making more jobs for more people.

Lightness with strength is just one of a dozen reasons for using Alcoa Aluminum to imagineer postwar production. And uniformity according to specification, ton after ton, month after month, is one big reason for specifying Alcoa Aluminum.

Uniformity of such highly developed metals as aluminum alloys requires more control than machines alone can provide. Knack enters in, the man-in-the-shop's personal acquaintance with the material through the years.

Knack and Alcoa and Aluminum are of an age. They go back to the beginning together.

ALUMINUM COMPANY OF AMERICA,
2125 Gulf Building, Pittsburgh, Pa.

How to meet the problem of MARCH 15TH

and have ample working capital to operate at a profit

NO MATTER what assets you have, Uncle Sam doesn't extend credit. He insists that your business pay its taxes...IN CASH and on time.

But, through Commercial Credit's new and broader financing

services, you can obtain thousands or millions quickly...to meet heavy tax obligations...and to give your business ample working capital "after taxes" for continued profitable operation.

These new services involve no red tape, no restrictions, no interference with management. Under a plan engineered to fit your specific need, they improve both your cash and your credit position...by giving you the use of capital now tied up in your inventory, your fixed assets, or your accounts receivable (which we purchase on a basis that limits your liability).

Although these services follow no fixed plan, they do emphasize one fixed principle: Money advanced must earn enough to pay a profit to the borrower, as well as pay for its cost.

If your business can make good use of additional operating cash...before or after taxes...let us give you full information immediately. Write or wire today.



FOR EXECUTIVES who handle Finances

This booklet outlines new Commercial Credit services which (by releasing capital now invested in your accounts receivable, inventory and fixed assets) provide financing...

- to purchase other companies
- to buy out partners, officers, other stockholders
- to retire bonds, mortgages, preferred stock, long-term loans
- to expand or adequately finance your business

For a copy of "Capital Sources," drop a line to Department 44.

stroy it, only that they may climb to power over its ruins. Be assured, however, if it is destroyed, our unique prosperity goes with it."

—George S. Benson, President, Harding College, Searcy, Arkansas

One way to do it

IDAHO FALLS, Idaho, where they boast about the quality of their potatoes—and can prove every word of it-faced a problem just before Christmas when it developed that it would be impossible to get their potatoes packed commercially.

That was a difficulty only for a little while. J. R. Gobble, Chamber of Commerce Manager, his members and members of the local service clubs, rolled up their sleeves and did the job themselves. They handled more than 1,000 ten-pound fancy packed Christmas boxes.

Somewhere along the way, a volunteer worker noticed that the boxes were going to the District of Columbia and every state except Maine and Rhode Island. So they sent a gift box to the Secretary of the Maine State Chamber of Commerce. Not to be outdone, the Secretary of the Presque Isle (the center of the Maine potato industry) Chamber of Commerce, sent a box of Maine potatoes back.

That left only Rhode Island. A small advertisement explaining this exception brought in an Idaho Falls woman who sent a box to a friend in Rhode Island. So the Idaho Big Baked Potatoes had national coverage.

Dickens described it, 1850

IF IT IS ANY comfort to an American citizen who has suffered the slings and arrows of Washington's Circumlocution Offices, here is a tale by the Controller of Britain's N.A.A.F.I.

It seems that a casualty service officer desired to buy an electric kettle for a first aid post in a large public shelter. He saw a suitable kettle in a shop but was told that it could not be purchased without a permit.

He asked the Ministry of Health for a permit but was advised that this was a matter for the Ministry of Supply to decide. The Ministry of Supply said that as shelters came under A.R.P., Home Security should decide whether he could buy the kettle or not.

The Ministry of Home Security pushed him back to the Ministry of Health. The Ministry of Health replied that it was sorry not to be able to arrange for the purchase of a kettle, but that it had been to some trouble in the matter and through the kindness of the General Officer Commanding, Western Command, arrangements were being made for the supply of a complete Army mobile field kitchen.

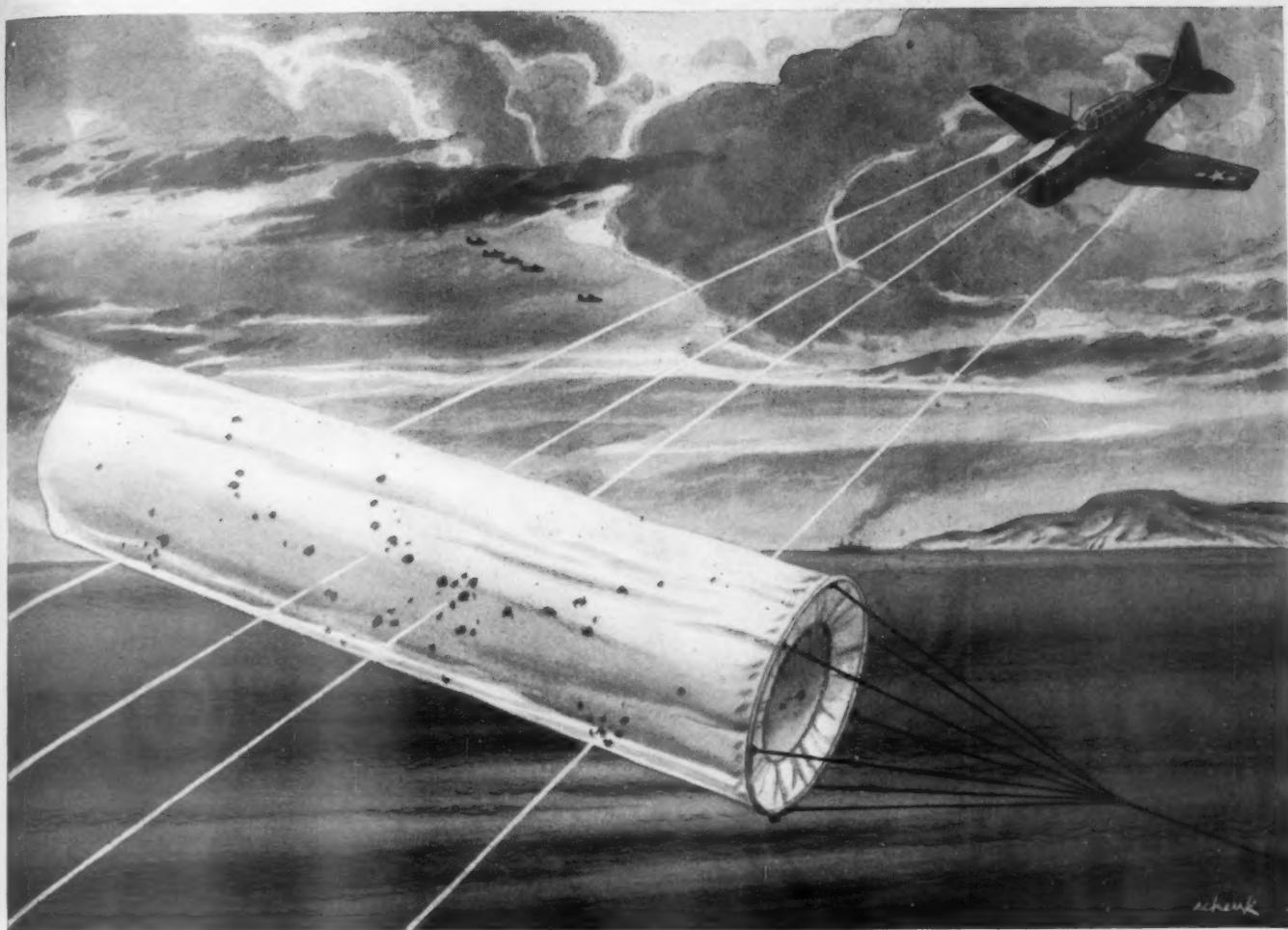
The time for persuasion being over, the Controller announced that if such a contrivance were delivered he would have it photographed going down the shelter steps and see to it that it was published in all the papers. This threat got him the kettle.

Commercial Credit Company

BALTIMORE-2, MARYLAND

Subsidiaries: New York Chicago San Francisco Los Angeles Portland, Ore.

Capital and Surplus More Than \$68,000,000



Rayon Target doubles for Messerschmitt!

MAKING crack-shots out of our boys is perhaps one of the most important phases of flight training.

The trigger-finger is all-important. *Quickness...sureness* often determine who will return from a sortie...our fliers or the enemy's.

As part of this grim business...fighter pilots and gunners practice for hours on end at drilling holes in tow targets. And you can imagine what a tough cloth is needed for those targets.

For one thing, it is subjected to the stresses and strains incurred by being pulled through the air at speeds up to 300 m.p.h. In addition, it must not tear into shreds when pierced by bullets. Actually, the missiles leave clean holes in the sleeve so that hits can be scored.

Today, this is a war job for American Viscose Rayon. Not the familiar yarn you normally think of that goes into clothing, but a specially engineered, man-made fiber known in the textile industry as semi-high tenacity viscose rayon.

Like the high tenacity rayon that goes into the tire cords of our biggest bombers and trucks, this yarn, too, is a product of rayon research. The program is continuous...dedicated to the development of new types of rayon for the betterment of American textiles and allied products. Much of this research has made a direct contribution to the war effort or has filled a critical breach in civilian requirements. And after the war, these developments in rayon will be part of your daily life.

AMERICAN VISCOSÉ CORPORATION

Producer of CROWN Rayon Yarns and Staple Fibers*

Sales Offices: 350 Fifth Avenue, New York 1; Providence, R. I.; Charlotte, N. C.; Philadelphia, Pa.
Plants at: Marcus Hook, Pa.; Roanoke, Va.; Parkersburg, W. Va.; Lewistown, Pa.; Meadville, Pa.; Nitro, W. Va.; Front Royal, Va.

★ BUY UNITED STATES WAR BONDS AND STAMPS ★

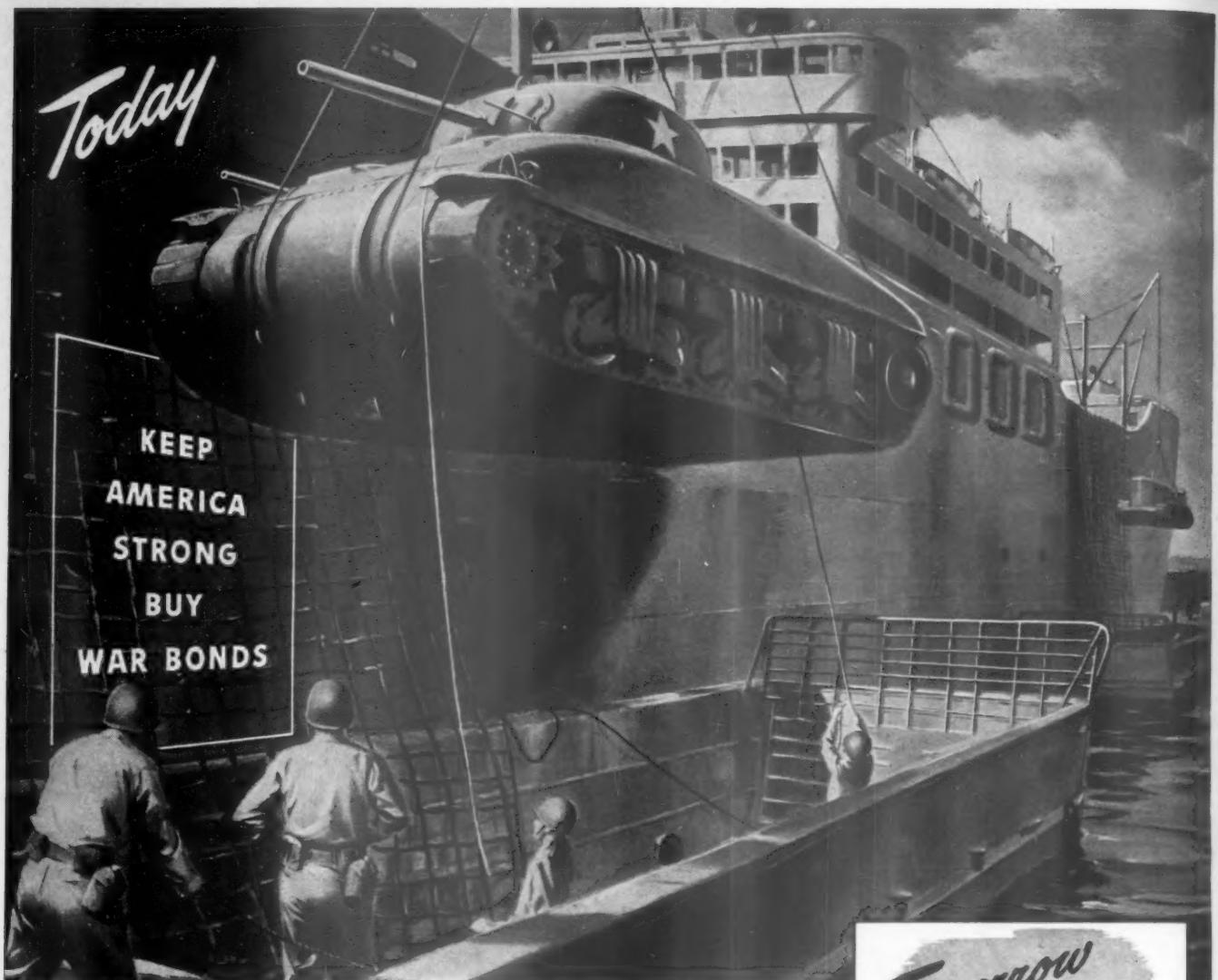
*Reg. U.S. Pat. Off.

NATION'S BUSINESS for February, 1944



*A better way
to buy
Rayon Fabrics*

This identification is awarded only to fabrics containing CROWN rayon, after they have passed the CROWN Tests for serviceability.



WHEN THERE'S WORK TO BE DONE —IN WAR OR PEACE

YOU will find GM Diesels hard at work in every theater of the war. They power massive tanks moving into battle, heavy trucks in endless supply lines, tractors to clear landing fields, landing and assault boats, big submarines and fast subchasers in home and in foreign waters.

In every respect, these GM Diesel Engines are living up to all that was predicted for them—and more. In many instances they are doing an even greater variety of jobs than they were designed for. They are standing up under conditions that

couldn't possibly have been foreseen.

When the war is over, GM Diesels will be ready to serve the peace as they are serving in war. With this difference: expanded production facilities, together with improvements and refinements in design and construction, will make them even more available for use—more capable of reliable, low-cost performance.



GM Diesels will be on hand to show that they can do an even bigger job in America's trucks. Simple in mechanical construction; sturdily and precisely built; economical in operation and upkeep, GM Diesels will prove as indispensable in peace as they are proving vital in war.



ENGINES...15 to 250 H.P....DETROIT DIESEL ENGINE DIVISION, Detroit, Mich.

ENGINES...150 to 2000 H.P....CLEVELAND DIESEL ENGINE DIVISION, Cleveland, Ohio

LOCOMOTIVES.....ELECTRO-MOTIVE DIVISION, La Grange, Ill.

MANAGEMENT'S *Washington* LETTER

A last minute roundup by a staff of Washington observers of government and business

IF YOUR BUSINESS USES SHIPPING CARTONS, a vexing distribution bottleneck may be approaching, in both wood and paper containers.

WFA urges re-use of all boxes and cartons, especially egg crates and fruit baskets; anticipates a shortage of 10 to 20 per cent in new wood crates.

By June every kind of shipping carton or crate adequate for one more trip to market will be a valuable item of your business inventory.

Emergency freight rates have been announced for return shipment of all types of fruit and vegetable containers to Southern territory and Pacific Coast from points east of Mississippi.

Textile Division of WPB may help with more open-mesh bags. In some civilian lines, retail stocks will be limited more by containers than commodity supply.

► Metal packaging, on the other hand, is more available for both food and non-edible products; same goes for glass.

Metal container industry is one of the first to be restored to an annual production basis, with an allocation of 1,900,000 tons of prime steel plate for 1944, an increase of 25 per cent over last year.

Amended WPB order M-81 allows metal packing quotas for 169 products (22 more than last year) including 65 non-food items.

Annual metal allocations will facilitate advance planning for processing seasons, eliminating many distribution log-jams encountered last year in item-by-item canning quotas.

Most basic foods are given unlimited metal quotas, or 100 per cent of 1942, with a few market favorites getting 125 and 150 per cent. Some foods are now permitted in both glass and metal.

► Intimate reports from Supreme Court reflect a deep—sometimes bitter—division on fundamental questions—this is current headliner in Washington cocktail chit-chat.

One recent "decision Monday" revealed 14 dissenting opinions.

Close followers of Court's proceedings have watched developing inner conflict for two years; are relieved it's at last exposed for public discussion.

Members of the Court, who are consulted regularly on executive policies, insist that legal interpretations always should be guided by broad objectives of administrative program—"a new frontier in Constitutional law," say rigid states-righters.

► Manpower pinch definitely has passed its most critical phase for commerce and industry (but not for agriculture).

Military services still taking more men and women than total releases per month, but bulk of new enlistments are from 17-19 age group, not previously employed.

Best reservoir of new employees is discharged military personnel, now returning to civilian life at rate of 110,000 monthly.

These veterans are exempt from all WMC regulations which classify essential occupations—may take any job preferred, change at will for six months without employer clearance.

Although all veterans are urged to register with local U. S. Employment Service, they also may be hired directly, through hospitals, veterans' organizations, USO, or local aid committees.

Minor physical incapacities, particularly in over-35 age group, do not restrict civilian employment for more than 25 per cent of discharged veterans.

Apprentice training programs now in operation in 30,000 industrial plants are open to returning veterans on voluntary basis through WMC.

Military hospitals provide disability ratings upon discharge, indicating range of employment suitable for limited-activity cases.

Employment preference for vets soon will be made mandatory by Congress.

► Canada is far ahead of U. S. in machinery and procedures for postwar business and employment stability, say diplomatic reports from Ottawa to Baruch staff.

Orderly liquidation of surplus plants,

supplies and materials is assigned to War Assets Corporation, a government holding company unifying disposal authorities and routines of some 20 existing agencies of the Dominion administration.

Speed and extent of liquidation will be governed in large measure by parliamentary decisions on future military policy—size of army, navy and air force.

Meanwhile, distress inventories of war contractors will find a ready cash market without demoralizing the national price structure. This avoids forced dumping overseas, eliminates abnormal commercial bank loans.

Corporation's governing policy board will be Crown Assets Allocation Committee, representing all elements of industry, finance and government; charged to gear liquidation program to guiding national policies as set down by Parliament and Cabinet—a meticulous adherence to Canadian constitutional forms, despite unprecedented magnitude of the postwar economic problem.

► Mass population shifts since 1939 have remade much of the U.S. business map.

Between 1940 census and March '43, our total civilian population declined by 2.4 per cent but 12 states and the District of Columbia showed considerable increases.

"The center of gravity of American economic life has shifted markedly westward and southward during the war," says Commerce Survey.

Changes in per capita income, as traced in special study No. 30, measure our recent tidal movements of population and business, by states.

Between 1939 and 1942, average U. S. income per person increased by 58.1 per cent—from \$539 to \$852 a year.

But North Dakota was up 121.8 per cent—the biggest increase; Kansas, up 112.5; Arkansas, 108.9; South Dakota, 106.6; and Mississippi, 102.5.

At other end of scale: New Hampshire, up only 31.2 per cent; New York, 37.6; Massachusetts, 42.4 per cent.

Greatest population increase in a metropolitan area was at Norfolk-Newport News, Va., 42.2 per cent.

Other city increases: San Diego, 37.5; San Antonio, 30.5; Washington, D. C., 28.5; Seattle, 20.5; Portland, Ore., 19.2 per cent.

New York showed a decrease of 3.8 and Chicago was off 0.7 per cent, while Philadelphia was up 0.7 for the period.

► A special map showing population density has been prepared by Census Bureau—first of kind ever plotted for entire U. S. It is valuable to sales-managers planning postwar campaigns; also for educators, builders, real estate men, utility managers charting development of transportation and communications.

New map, plus Commerce Department's compilations of population and income shifts, reveal vividly how war has transplanted two per cent of our civilians and nearly five per cent of national income. (Many "problem areas" spotted for postwar attention.)

Both the map and state statistics may be obtained from Amos E. Taylor, Director, Bureau of Foreign & Domestic Commerce, Washington 25, D. C.

► How long will it take U. S. industry to supply America's backlog of household demand?

A cross section of prospective post-war purchases of consumers' capital goods, as completed recently by U. S. Chamber of Commerce, reveals that two out of three families (about 22,500,000 in all) already are planning to purchase some specific item of household equipment or home improvement as soon as goods are available.

About 3,600,000 families want new autos at first opportunity. (A year hence this pent-up demand for family cars will be about 8,000,000!)

Other items high on the want list of our 35,000,000 families: mechanical refrigerators wanted by 7.5 per cent; radios 7.3 per cent, washing machines 6 per cent; stoves, vacuum cleaners, sewing machines, electric irons, kitchen mixers—each wanted by 3 to 5 per cent of all families.

Total of 1,500,000 families are ready to start new homes within six months of war's end; every fifth present homeowner will paint his house; every twentieth family wants new furniture for at least one room.

Among farmers, two out of three plan some structural improvements; about half also want to buy at least one item of new farm machinery or equipment.

► Federal labor administrative machinery appears headed for a drastic overhaul.

Fourteen different agencies now have a finger in national labor policy, from the Department of Labor and WMC, through WPB's Labor Division, National Media-tion Board, NLRB, WLB, Department of Agriculture, WFA, and Department of Interior, plus a half dozen special wartime advisory committees and boards. But no integration or coordination.

Several of these detached labor agencies are plowing their own furrows; often with a suspected dash of politics to spice the day's routine.

Congress regards some of these as actual trouble-makers; their reports and rulings often "dump" the basic concepts of economic stabilization program.

Official Labor Department figures show there were 3,737 strikes in U. S. in 1943, against an average of 2,968 a year during 15 years 1927-41.

Despite no-strike pledge, man-days lost in strikes last year were 14,000,-000—highest since 1937, the year of the historic sit-down epidemic.

Congress insists the proposed labor-draft could not prove an effective substitute for a sound, workable labor-relations program in tune with American tradition of competitive free enterprise.

► Routine followed by WPB in relaxing basic raw material controls is very flexible—sometimes appears hit-or-miss.

Every production manager can assist by calling attention to easing supply pictures in his field.

Commodity sections of WPB have much administrative latitude for quick regional adjustments.

Central Clearance Committee is reviewing all prevailing orders in L and M series (limitation and conservation regulations) to allocate available materials on basis of most urgent need.

But this is a long, tedious job in which some difficult pile-ups are certain. Mere routine of checking every item of supply against revised military production schedules will require three months.

Rail and motor transportation have first call on released metals; 50,000 bath tubs and 2,000,000 electric irons, plus 20 per cent increase in steam-boilers already have been authorized for 1944; next in line, some washing machines, refrigerators, stoves, auto parts, radio tubes.

"Products and Priorities" will be published monthly by WPB, to keep industry abreast of enlarged allocations and approved civilian manufacture. The old official CMP classifications for "A" and "B" civilian products is no longer effective.

► Congressional thinking veers sharply toward three fundamental changes in recent fiscal policy, (1) less spending ahead of more taxes, (2) tax forms must be simplified, with fewer red-tape accounting requirements, and (3) return to Treasury next June 30 of all unspent blank-check appropriations.

Broad simplification of revenue code's overly legalistic provisions already had begun in Ways and Means Committee.

Senate Finance Committee estimates executive departments now have about \$150,000,000,000 in unspent funds—too much for prudent fiscal management.

► Trade associations will be consulted by WPB on form and scope of industrial statistics soon to be resumed on regular schedules.

About 30 basic monthly reports on production, pay rolls and inventories will be released; suppressed for two years to conceal growing U. S. industrial might from enemies.

Today, only government has overall figures by industries, which often gives undue weight to federal proposals for postwar controls. ("How can our industry answer without any figures?")

WASHINGTON BUSINESS BRIEFS: Aluminum paint and printing inks are again available—first by-products released.... Poor growing weather promises below-average acre yield of winter wheat; new crop-year's supply about 35 per cent below current year.... Harry Hopkins may go to London as U. S. spokesman on new European Council.... OPA has placed a price ceiling (\$12 ton) on oyster shells!... WPB Regional Offices have been given authority to approve sales of surplus fabricated articles or parts released by military cancellations.... Social Security Board is pressing demands for federalized medical-hospital program on pay roll-tax basis; has been warned to curb lobbying in Congress.... Navy would like an investigation of radical labor leadership in wireless unions. FCC says No; Senate Yes.... Many high army officers have printed cards on their desks carrying Secretary Stimson's challenge: "We stand on the threshold of a titanic and decisive struggle"....

40 Years on the Timber Trail

1904—Reo and the trucking industry were born. Since the earliest days of truck production, tough jobs on the rugged timber trails have been Reo jobs. It's a far-cry from the 1913 "logger" shown here to the powerful convoys of Reos now moving forest giants out of the woods into the war effort.



For 40 years the name Reo has been the hallmark of truck engineering leadership. During those years Reo has pioneered many advances in truck design

which are today taken for granted. Pneumatic tires for truck operation, electric lights and starters, the dry disc clutch and internal hydraulic brakes are but a few of the famous "Reo Firsts" . . . and before Pearl Harbor, Reo was already on its way to the production of tough vehicles of war as well

as other intricate mechanisms of battle which are at work today on all fighting fronts. A limited quota of Reo medium and heavy-duty trucks is available for civilian use in 1944. Ask your Reo dealer for details.

REO MOTORS, INC.
Lansing • Michigan



War Bonds
Are Your
Share in Victory!

REO

America's Toughest Truck



Lend U. S. Your Talents

AS we carry on the Fourth Bond drive, the Government requests two loans from each American business man. The first is a loan of money. When a business man buys a bond, his example means much. The community respects his investing judgment.

The Government asks a second loan from him. It wants to borrow his know-how. It is waging a war to preserve the free economy the business man has enjoyed. In that free air of competition he has learned how to organize a job so as to get it done with the least loss of time and energy. His Government wants to borrow that ability today in organizing each community to carry out a tremendous undertaking most efficiently and effectively.

Other groups will make their special contributions. The press in its field, the pulpit no less, and the school; the man gifted in public speech; that one with the power to convince and persuade; from everywhere will come various aids, each according to his ability. The most important task will be to bring all these forces into teamwork, into a gigantic movement with singleness of purpose and singleness of effort. Overlapping, fumbling, lack of drive and direction will not only cost dollars and energy, but also will lower national morale.

The successful business man knows how to distribute goods. It involves selling, the presentation of the goods in the most attractive manner. It also means a breakdown of the market so that there will be no lost motion in presenting the right-priced article before the right prospects. It means primarily the description of the wares so crystal clear that the major resistance to buying is overcome.

The business man has done all this over and over again. He can do it for the sale of war bonds in his locality.

He can also help in assigning quotas and districts most efficiently to canvassers. Everyone will attest the wasted motion in this field where expert handling is absent.

The business man owes this talent to his country at this time. For his ability as organizer is the creature of a free society, and a free society today asks him for the loan of that ability. It asks the men who have learned how by experience to see the job as a whole, to build neighbors into a team, to delegate duties, and to inspire and encourage.

A national campaign of this size costs terribly in man- and woman-hours on the part of both sellers and prospects. It throws normal activities out of gear. It creates discussion, sometimes controversy. It means shifting of daily tasks, doubling up, unusual hours. This change of pace can be a liability, or it can be a national asset. Properly directed, with a minimum of false motion and confusion, it can be made a distinct addition to national morale.

We are apt to overlook the importance of the home front. The story goes of the Tommy in the African drive who said to his comrade, "We'll win if they only hold out." "They—who?" said the other. "The civilians back home," was the reply.

A whole-hearted, all-out enlistment of the nation's business men in the present drive will have a practical value. It will mean more money. But there will be an even greater value, though intangible. What, do you think, would encourage more our boys overseas? A great crusade, with a deep undercurrent of patriotism, would leave no doubt in their minds as to where stand the "civilians back home."

Meredith Thorpe



The two big things to look for in the new tires you buy

SYNTHETIC rubber tires for civilian use are a new thing in America, and the hope is to build 30,000,000 of them in 1944.

But however new they are, or whether that ambitious hope is realized, does not change it that two main factors determine the value and satisfaction you get for your money, as they always have.

The first big thing to look for on the synthetic tire you choose is the name of its maker—that remains the best index to

goodness that you will find.

The second thing to look for, is that the tire is backed up by convenient and competent dealer service—with synthetic tires that remains as important to full performance as ever, if not more so.

The name borne by the tires illustrated here bespeaks that standard of value which has made it true for 28 years that "more people ride on Goodyear tires than on any other kind."

The dealer service backing up these tires is that supplied everywhere by Goodyear dealers, the largest and best-trained tire service organization in the world.

Our authority and experience in handling synthetic rubber ranges all the way from the granting of our first synthetic patents in 1927, to our work in successfully building for the Army the first tires wholly made from synthetic rubber produced in the new government plants.

But even these assurances pale as against the reliance to be had in Goodyear, the Greatest Name in Rubber, and the service performed by our dealers to make sure you get out of our tires all the usefulness we build into them.

Listen to Goodyear's "HOOK 'N' LADDER FOLLIES"
NBC SATURDAY MORNINGS
See your local paper for time and station

★ LET'S ALL BACK THE ATTACK — WITH WAR BONDS ★



NO OTHER SYNTHETIC RUBBER TIRE OFFERS YOU THESE ADVANTAGES

- 1—Twenty years' experience in producing and manufacturing synthetic rubber
- 2—Tough, sturdy carcass of Supertwist cord, built to prewar quality
- 3—Tested non-skid safety from time-proved Goodyear tread design
- 4—Maximum wear from scientific Good-year design that keeps tread under compression
- 5—Greater "know-how" evidenced by Goodyear's record in building more than 350,000,000 pneumatic tires—millions more than any other manufacturer

Supertwist—T. M. The Goodyear Tire & Rubber Company



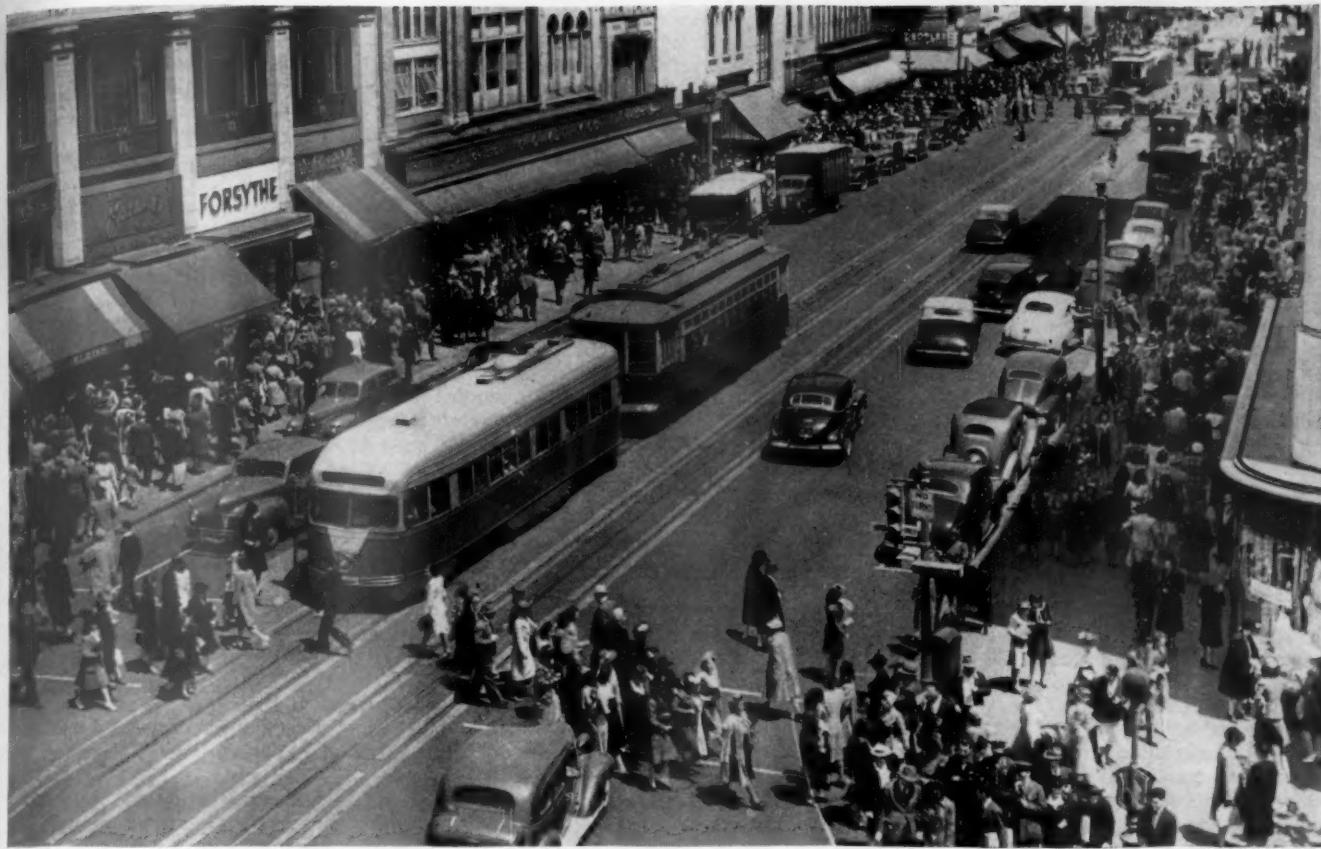
Another reason for choosing Goodyears

Next to quality, competent service counts most in getting full performance from tires. Goodyear dealers comprise the largest, most efficient, veteran tire service group in the world.

GOOD YEAR

THE GREATEST NAME IN RUBBER

NATION'S BUSINESS for February, 1944



GEORGE LOHR

Downtown stores are finding new ways to compete with the smaller suburban retail units

The Retail Battle Royal

By JACK B. WALLACH

IT WAS apparent to observers of the retail scene before Pearl Harbor that distribution was undergoing revolutionary changes. These changes were intensifying the competitive situation of large department and specialty stores in cities. The dispersal of population from the high rental, traffic congested areas to the low rental, open spaces of the suburbs was tending to decentralize retail markets.

This trend was evidenced by the mushroom growth of suburban and neighborhood stores and branches. These units not only were multiplying, they were flourishing. Roadside markets and shops were rapidly attaining prominence and importance. Mail-order houses, ever attentive to trends and opportunities, were making local approaches to fertile markets by means of outlets readily accessible by car or bus.

In addition, gasoline and auto supply shops, cigar and drug stores, electrical appliance and hardware dealers and others were broadening their lines. Limited-price variety stores were intro-

RETAILERS, accepting the challenge of the future, are already drawing blueprints for new types of stores which will give customers the greatest amount of goods at the lowest possible cost when the war ends

ducing successively higher price ranges as well as diversifying their merchandise stocks to include style goods and staple dry goods.

Not even the war has been able to halt these developments entirely. In one respect it has actually promoted expansion moves. Consumer goods shortages have compelled many retailers to broaden their merchandise bases to replace volume lost on goods no longer available. Rising incomes among workers have encouraged the stocking of larger ratios of goods in the higher price brackets.

R. H. Macy & Company in New York City, for example, last October installed

a jewelry brokerage department, and within a month it was able to report volume running about \$30,000 weekly. (The same store's live poultry department, once ridiculed by incredulous skeptics, is reputed to be grossing more than \$500,000 annually in sales.) A block away, Gimbel Brothers added millions of dollars to its sales volume by means of a floor devoted to antiques, art objects and jewelry, and weekly auctions of estates in liquidation.

Store executives emphatically assure you that these innovations are here to stay. They are integral details of post-war blueprints. But before one can accurately interpret the blueprints of post-

war retail distribution, one must fully understand some of management's problems and considerations.

Present tax rates not only exclude the possibility of accumulating capital for postwar expansion in many cases, but also deprive management of necessary profit incentives. That fact was emphasized recently by a Macy's official who said he doubted whether any large-scale expansions will be feasible in the postwar era until tax burdens are lightened and capital risks are encouraged. He added that Macy's postwar plans are necessarily contingent on many things.

For example, nobody yet knows whether express highways and air transport will further decentralize markets or reverse the prewar trend. On the other hand, centrally located stores plan to avail themselves of every means to maintain or expand their volume by capitalizing more fully their present facilities.

William Filene's Sons Company of Boston plans helicopter service between Boston and all leading New England cities to expedite deliveries. The Hub, Baltimore, also has applied to the Civil Aeronautics Commission for postwar operation of helicopter delivery service. In New York City, the Sixth Avenue Association has projected a number of helicopter landing points in the midtown and financial districts, one of which would be the roof of Gimbel Brothers.

Price levels also will influence post-

war plans. If prices do not settle to lower levels, most merchants agree, consumer resistance will retard peacetime production. National income after the war is recognized as a major determinant of the potential retail market.

War surpluses a problem

REGULATION W, an effective brake on wartime credit sales, may outlast the duration. The disposal of war surpluses is of vital concern to production and distribution. If World War I's mere \$4,000,000,000 of government surplus could disrupt domestic trade for a long while, what threats to trade are inherent in a government surplus estimated at some \$50,000,000,000 and comprising goods far better in quality than many now available for civilian consumption.

These are only a few of the overall problems that retailing faces as it tries to peer over the horizon of the postwar world. Population shifts already are taking place as war contracts are cut back or cancelled. As 1944 wears on, more cut-backs and factory closings are in prospect. Each means a shift of working population, with a resulting series of market shrinkages and expansions.

Food prices, it is stated, are encouraging a back-to-the-farm movement. If it eventuates appreciably, may we not anticipate an accelerated growth of cornfield outlets?

Before leaving the generalities and turning to the particulars, it may be worth while to recognize another diffi-

culty that attends efforts to formulate inflexible postwar plans. Government's attitude is an unknown quantity. Illustrating the importance of legislative sentiment was the recent experience of Goodyear and Firestone, whose postwar plans call for the development of retail units carrying home furnishings and other lines. The Ellender bill introduced in the Senate would prevent manufacturers from competing through their own stores with their customers.

It is interesting to note that opposition to the bill came from many quarters. Sears Roebuck opposed the bill, because its interest in the Mansfield Tire Manufacturing Company and two other small tire manufacturers would prevent it from selling tires at retail. Both Goodyear and Firestone are planning broader activities in retail merchandising, and organizations are being formed to supply company stores and dealers.

It may be too soon to write an obituary notice for the type of store that has specialized in a kind or type of merchandise, but in the postwar world, it is apparent, tire shops will not be alone in broadening their merchandise lines. The J. C. Penney Company, for example, has made known that it is investigating, as are most merchandising outfits, the possibility of expansion in lines after the war.

"So far as hard lines are concerned, we are considering the expansion of existing housewares and home furnishings departments through the addition

(Continued on page 76)



This Firestone store illustrates the diversity of products now being handled by former specialty stores. Ranges, mixers, irons, vacuum cleaners, luggage, many other items extend its lines

The Farmer Chooses Freedom

By JAMES D. STANIFORD

THE FARMER accepted controls and crop curtailments as emergency measures—but he wants no such "aid" today

A CHANGE of heart is taking place out in the farmyards of America. The farmer is saying some plain and uncomplimentary things about the trial marriage he entered into with government 11 years ago.

Disillusioned, smarting under reasonless restraints, broken promises and poor management of a domineering partner, the farmer's feelings have undergone a distinct change since 1933 when his leaders joined with the incoming Administration to put through the precedent-establishing Agricultural Adjustment Act which was designed to lift agriculture out of its deepest depression and to assist in assuring it economic equality with business and labor.

This change of attitude carries hope and promise for those who have despaired of the future of economic democracy in America.

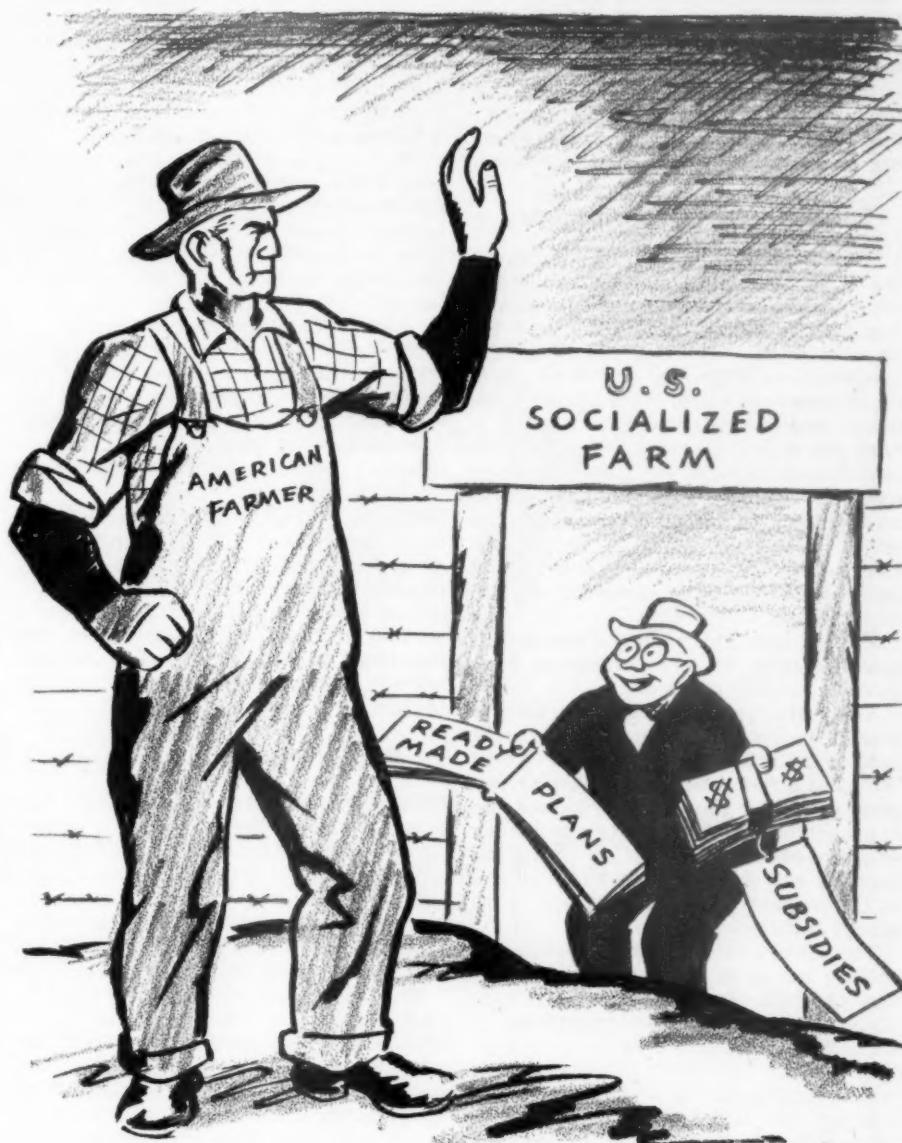
In entering this union with the federal Government, the farmer had virtually given up hope of obtaining what he considered fair prices and a fair income in an open, uncontrolled and competitive market. Possessing a plant geared to high production, he found after postwar European markets disappeared, that the harder he worked and the more he produced, the more his economic difficulties increased. Unmarketable crops piled up and prices tumbled. He could not make financial ends meet. His debts went unpaid. He faced the loss of everything.

Along came a new administration promising to use the authority and power of government to restore and maintain agricultural prosperity. The farmer grabbed the promise and helped sweep the New Deal into office.

Then followed a decade of AAA crop control and governmental domination that went far beyond what the farmer thought he had bargained for.

Today, farm-state congressmen, who once said "amen" to the Administration's agricultural policies and programs, now oppose them. Likewise, most of the major farm organizations are lined up against the Administration.

The powerful American Farm Bureau Federation, which, during the first six



Back of present agricultural programs, the farmer sees social planners trying to establish a regimented economy for America

CHARLES DUNN

years of the New Deal, walked arm-in-arm with the AAA, is in the vanguard of the opposition. The National Grange, the nation's oldest farm organization, is equally militant. Of the farm groups operating on a national scale, only the National Farmers' Union is supporting present farm policies.

AAA officials, themselves unhappy over some of the policies dictated by the White House, acknowledge that the farmers as a whole have turned cold toward administration programs. These officials have more than 70,000 representatives in farming communities.

Many farm officials think the days of

the big AAA administrative set-up are numbered. They expect Congress to reduce greatly, if not to eliminate, appropriations for the AAA for the fiscal year beginning next July. This would not happen if farmers were satisfied.

Other evidence of farmer antagonism includes a "stay-away" attitude which farmers adopted toward AAA's state meetings last fall. Few of these meetings called to discuss 1944 government farm plans drew persons other than government "pay-rollers," as farmers call farm officials.

Newspapermen who covered the recent convention of the National Grange

at Grand Rapids, Mich., could get delegates to talk about little else than farm complaints against government policies, controls and regulations.

What causes this hostility?

There are many reasons.

One is a strong fear that radicals and collectivists seek to use the AAA and other farm programs to help establish a planned and regimented economy. When the Administration first offered farm benefit payments for curtailing production, far-sighted agricultural leaders warned that the planners sought to undermine the farmers' independence by putting them on a dole. Thus the AAA would become a means of destroying the roots of economic individualism.

Subsidies as an emergency

IN THE beginning, farmers accepted the AAA handouts and crop curtailment programs as emergency measures designed to help restore farm and industrial prosperity. The theory of the program—as expressly stated in AAA legislation—was that farm benefit payments and controls would be used only until prices in the market place had been raised to the desired level. Because they instinctively prefer to produce abundantly, farmers hoped for an approach which would assure them reasonably fair prices for what they could raise and distribute to the domestic market and abroad.

Foisted upon them instead was a program of more or less permanent crop curtailment and control.

Year after year went by and farmers seemed to get no nearer the fair price goal. Finally came the Second World War and a rising demand for American farm products. Farmers envisioned the approach of a period during which they would be able to throw off governmental controls and get a full and fair return at the market place without having to accept subsidies.

The Government, however, insisted on holding prices of many farm commodities, through disposal of its own supplies, below fair levels and in making up the difference in subsidies.

Today the farmer is convinced that the Administration is more interested in keeping him tied to subsidies than in helping him obtain economic equality. Subsidies, he has learned, are subtle devices for keeping him subjugated to government-dictated programs. Then too they hold down the cost of living and are a means of equalizing national income.

Albert S. Goss, master of the National Grange and once a New Deal office-holder in the Farm Credit Administration, recently analyzed the farmer's dislike of subsidies:

"There are few sources of political control more potent than that of cash subsidies of one kind or another. In its decision in the wheat case (attacking the legality of a cash penalty assessed by the AAA against farmers who sold more than their quota) the Supreme Court recognized the Government's right to regulate that which it subsidizes. We do not quarrel with that theory

—we merely say that we want to avoid the danger of more federal regulation."

Mr. Goss went on to say that farmers have learned that subsidies, when once used, are hard to get rid of. They become, he said, issues in political campaigns and men are elected to office on the pledge to continue them. Farmers have learned further, the Grange leader added, that subsidies destroy individual initiative and undermine character, promote inefficiency in production, and are the means of building and maintaining a strongly centralized government.

Farmers are particularly incensed at the Administration's insistence on using subsidies under present conditions.

They read statements by the Government's financial authorities that the national income is by far the largest of record—in fact, so large that it constitutes a dangerous inflationary threat. They read of appeals of Treasury and tax officials for higher taxes to drain off surplus consumer buying power.

To the farmer it does not make sense when the Government turns around and demands that Congress vote funds for farm and food subsidies to protect consumers against prices which the Government itself says are fair and proper for farm products.

The fact that funds for subsidies must be borrowed and added to an already staggering national debt intensifies his opposition. The net effect of food subsidies, the farmer argues, is to place a portion of today's grocery bill on the shoulders of future taxpayers—including the boys now fighting our military battles.

When will food be freed?

THE farmer makes this further important and thought-provoking argument against farm and food subsidies:

If, in this time of record income, farmers must take a part of their return in the form of a government handout, when can they hope to be freed from subsidies and federal control?

The farmer takes no stock in the claim that wage rates would have to be increased if subsidies were eliminated. He cites U. S. Department of Agriculture reports that the average working man is spending a lower percentage of his income for food than ever before.

He resents, too, the charges that he and his leaders are out to gouge consumers and that he is the ringleader in an inflation drive.

Of course, some farmers would do away with all price controls and allow prices to reach whatever level the law of supply and demand took them to, but they are definitely in the minority.

However, farm antagonism toward the administration does not flow entirely from opposition to price policies. No other class or group distrusts bureaucracy more than the tillers of the soil.

President Edward A. O'Neal of the American Farm Bureau Federation put that feeling in words at the Federation's 1940 convention:

"The administration of the farm programs has become too concentrated in Washington, and the evils of a develop-

ing bureaucracy have become all too evident."

Mr. O'Neal is a dyed-in-the-wool southern democrat.

The Farm Bureau Federation has since urged that a non-partisan board be set up to administer farm programs under a system which would give the states greater authority.

Oppose collectivist farming

FARMERS as a whole have been fundamentally opposed to some of the activities of the Farm Security Administration, an agency created to aid low-income farmers, tenants, sharecroppers and farm laborers, by means of "rehabilitation" loans and technical guidance. Farm leaders assert that the FSA has been used in a "left-wing" effort to establish a collectivist type of farming. The House Appropriations Committee after investigating the FSA's land purchase and tenant settlement programs, reported:

"The Administration is carrying on experiments in collective farming under a plan which appears to resemble the practice of collective farming in communist Russia. The Committee believes this is wholly contrary to the spirit and the genius of the American way of life and ought to be stopped."

The investigation led Congress to pass legislation prohibiting future land purchase and settlement programs and directed the liquidation of existing settlement projects.

Administration management of the wartime food production program has added fuel to agriculture's antagonism. Most farmers feel that the Government has done more to hinder production than to encourage it. They recall that, although the war started in Europe in 1939, the Government did not begin to loosen up on production controls until the crop season of 1941. Farmers feel that the war food situation would be much better now had the Government encouraged them to follow their natural instinct to produce more back in 1940.

When food officials finally shook off the so-called farm surplus psychology of the 'thirties and called on farmers to step up production, other officials and agencies threw up barriers.

Nothing so aroused the farmer as did the administration's industrial labor, manpower and farm machinery policies. Those policies, including the military draft, virtually stripped him of his efficient help. He could not compete with war industries in wages. He believes that the Government, through its cost-plus, fixed-fee contracts, deliberately encouraged the payment of what he considered exorbitant industrial wages.

He was irked especially by regulations which required the payment of time and a half and double time pay for work in excess of 44 hours a week while he and his family had to work as long as 80 hours a week.

Then, too, he found it hard to understand military draft policies. Thousands of farmers had to give up their farms to go into the armed services while work-

(Continued on page 74)

First step toward future prosperity is a study of community needs to determine just what you will face



RALPH PATTERSON

Postwar or Postponed?

By RALPH BRADFORD
General Manager, the U. S. Chamber of Commerce

HUMAN VALUES and social benefits will grow from what we actually do today—not from what we write on paper to be done tomorrow

THE QUESTION raised in the title of this article is only important to the extent that it helps emphasize this point: that you can't divide time off into segments, and that there is an eternal interplay of cause and effect. In one sense we are in the postwar period now, because its problems are influencing today's decisions. Also, the decisions we make today about current problems will probably have more to do with postwar conditions than the "plans" we are writing on paper.

I do not mean to low-rate postwar planning. On the contrary, it is a hopeful sign that so many organizations and so many people are aware of the tremendous problems which the postwar will bring, and are getting ready to do something about those problems.

However, it is useless to plan for the future unless we are directing present policies and courses of action in the direction of our planning. Years ago we

prepared today's events—not by any plans that we made for today, but by what we did about yesterday's problems. The present is explicitly the result of the past, and the events of the next decade and the next generation are today being determined—not so much by what we plan for tomorrow as by what we do for today.

From the standpoint of business organizations, it is a mistake to think of the postwar as a period that will require a new and special kind of magic. The problems which we will have to face will, in large measure though not perhaps great degree, be the same we are accus-

tomed to face—unemployment, debt, taxation, the development of industry, the planned growth of cities including educational and cultural influence, necessary public works, catching up on deferred maintenance.

Indeed, it might help to make an appraisal of the job ahead if we stopped saying "postwar" and said simply "postponed."

The National Chamber's approach to postwar problems has been in the overall, because it is necessarily a wholesale organization. We are dealing with a few basic questions which, if properly answered, will provide groundwork for postwar balance. One of these is federal finance—how much tax, what kind, where and how applied? Another is Social Security—not whether, but how much, how extensive, and at what cost? A third is wartime economic controls—how long must they continue, when and

(Continued on page 46)



KEYSTONE

The Dutch people have a tradition of self-reliance. Postwar planning for the Netherlands is to foster that tradition

WHEN the Netherlands Army capitulated on May 14, 1940, after a valiant five-day stand against the overwhelming Nazi war machine, Queen Wilhelmina and her cabinet moved to London and started laying a foundation for their country's economic reconstruction.

One of our first actions was to make available to the Allies Dutch assets still outside German control. We clamped down on Netherlands money in the United States and elsewhere to prevent its use by the Nazis. Of our merchant fleet of 3,000,000 tons, more than two-thirds escaped. These ships have been in the service of the United Nations ever since, transporting troops, munitions, foodstuffs and oil. War has taken a terrific toll of them. More than 1,000,000 tons have been sunk and replacements so far have been negligible.

Another task to which we turned was the procurement of food for relief immediately after the liberation of the Netherlands territory. We were able to accumulate modest stocks in the United States, in South America and within the

Far Eastern territories of the Kingdom. These eastern stocks were lost when the Japanese occupied the Indies.

In our long-range planning we have not attempted to set up a pre-fabricated economic structure which, after liberation, the people could accept and admire. Even had this been possible, it would have run counter to the Dutch people's tradition of freedom and self-help. Rather we have adopted the principle set down by Herbert Lehman in accepting his duties as head of the United Nations Relief and Rehabilitation Administration:

"Help people to help themselves."

A program for the Netherlands based on this principle naturally divides itself into several phases.

The first phase will be relief and rehabilitation—to restore the health and vigor of our population by providing adequate food, clothing and medicine.

Before the war the average food consumption of each man, woman and child of the Netherlands was 3,000 calories a day. Now it is 1,400 calories. In spite of

Holland is

this most inadequate diet, the Dutch people continue to resist the occupying enemy with all means in their power. But it is not difficult to realize that such shortages of food over a long period must undermine the country's productive capacity.

Another condition necessary to rehabilitate our industry and agriculture is the return of our workers. At present some 450,000 Netherlands are working in Germany, where they were forced to go when the Germans closed down factories and shops in Holland and threatened to withhold already meager rations from those who were unwilling to be shipped to the Reich. The seriousness of this forced migration can be appreciated if it is realized that our total population is only about 9,000,000, of which approximately 2,000,000 are engaged in industrial and agricultural work.

Razed houses must be rebuilt

STILL another immediate postwar need will be housing. Destruction of homes has been wanton as the Germans have razed all buildings in a wide belt along the sea coast. This destruction was part of the Nazis' preparation against invasion, but it has also given them the opportunity to ship the furniture and other belongings of the owners to Germany. There is an estimated deficit of at least 150,000 houses in Holland today, because of Nazi destruction and the cessation of virtually all residential building since the invasion. Building materials bought in America and elsewhere will be needed to help rehouse Holland.

Once these immediate needs are met, the Netherlands will be able to gird her productive capacity to provide help in the relief and reconstruction of other liberated countries. In this the Netherlands Government is in full agreement with the decision taken at the UNRRA conference at Atlantic City: In planning relief, a high priority shall be given to the means of production enabling a country to produce relief supplies for itself or for other countries.

At the same time the Netherlands will have to turn her attention to rebuilding her peace-time trade with foreign nations. In the final analysis, she must depend on this trade to regain her place in the world. Foreign trade has always been the keynote of Holland's economic welfare.

Among the principal Dutch imports before the war were lumber, wheat, corn, and raw cotton. The resumption of normal trade will create a great demand for these products.

is Already Planning to Rebuild

By M. P. L. STEENBERGHE

For every \$1,000,000 the Netherlands obtains for a steel ship built for a foreign customer—and our yards have a large capacity for building ships—we have had to spend \$350,000 for imported materials. For every \$1,000,000 obtained from the sale of pork products abroad, we have to spend \$340,000 abroad for imported fodder and other materials. In such an economy as ours the need for foreign trade and for ships is obvious.

The Netherlands will in turn make her contribution to the world's economy as soon as she is able to do so. Our shipping will be restored as rapidly as we can find the means to overcome our wartime shipping losses. Our business men, with their traditional foresight and initiative, are already striking out



THE PRESIDENT of the Economic, Financial and Shipping Mission of the Netherlands tells of the postwar outlook for his country

in this direction. The Holland-America line, for example, has recently announced that it plans to resume its fast freight service from the West Coast of the United States and Canada to Great Britain and the Netherlands at the earliest possible moment after the war, bringing fruits and other foods in refrigerated motor ships to the hungry people of Europe. In 1939 Holland imported \$79,000,000 worth of goods from the United States, or 9.6 per cent of her total imports. She exported to the United States \$23,000,000, or 4.4 per cent of all exports.

The markets which we had acquired for our own products are now largely gone. Dutch business men were always able to hold their own in a sharply competitive world,



KEYSTONE

A Dutch auctioneer has a canal before his platform through which boatloads of produce are drawn. The articles are bid on, sold, drawn off to their destination before unloading

by rapid technical advances and innovations which were possible because of two factors: efficient management, and trade unions whose members were never opposed to technological improvements.

High quality was the outstanding characteristic of Netherlands export products. Nevertheless, for producers of highly specialized products—ranging from giant tin dredges to meticulously selected tulip bulbs—a prolonged separation from their markets is a grave economic danger. In view of this, the Netherlands exporters will face tremendous initial difficulties which they will overcome only by drive and initiative.

For several reasons the Dutch people cannot ignore the problem of Germany and her place in the political and economic structure of postwar Europe. Geographically Holland lies with its back to Germany, having a width in most places of less than 150 miles. Rotterdam, near the mouth of the Rhine River, is a natural port for German overseas commerce. Before the war Germany was a sizable market for our products, although not the major one. Of our exports, 15 per cent went to Germany, but much more went to England. Nevertheless we had large imports from Germany, large not only in dollar value (\$193,000,000 in 1939) but also in strategic importance to Germany.

During the occupation the Nazis have done everything in their power to increase Dutch economic dependence on the Reich. They have bought up shares in some of our industries with worthless German money and promises to pay, and

have tied others to so-called European "cartels" over which, of course, Germany has full control. It is clear that we shall have to cut through all of these ties immediately. We shall look to America and other countries as alternate sources of supply for the machine tools and other products we once bought exclusively from Germany.

Countries can help each other

WE must make sure that Europe will have a balanced economic structure. But this can only be done if German preponderance in Europe is crushed, once and for all. Wherever possible the resources of the liberated countries themselves should be used for reconstruction. The materials and machinery that can be obtained from Germany will help, but will probably be only a fraction of what Germany has taken from us in the form of occupation costs and exports for which she has never paid and in the form of property destroyed or still to be destroyed by the Nazis when they retreat. We will therefore need such productive equipment as the United Nations may be able and willing to supply to us.

While rebuilding our own economy, we should keep in mind the necessity of giving to Germany an economic organization which can form the basis for political democracy (insofar as this is feasible in Germany, and with proper control by the Allies). This task will certainly present great difficulties to the United Nations, yet it must be performed as an essential condition to prevent aggression in the future.

Let us turn from the problem of Europe to that of the East Indies. The tasks to be performed there are at present the subject of extensive study by the Dutch. Intimate knowledge of the people and the islands has enabled us to draw up a program for the relief of any part of this area upon its liberation.

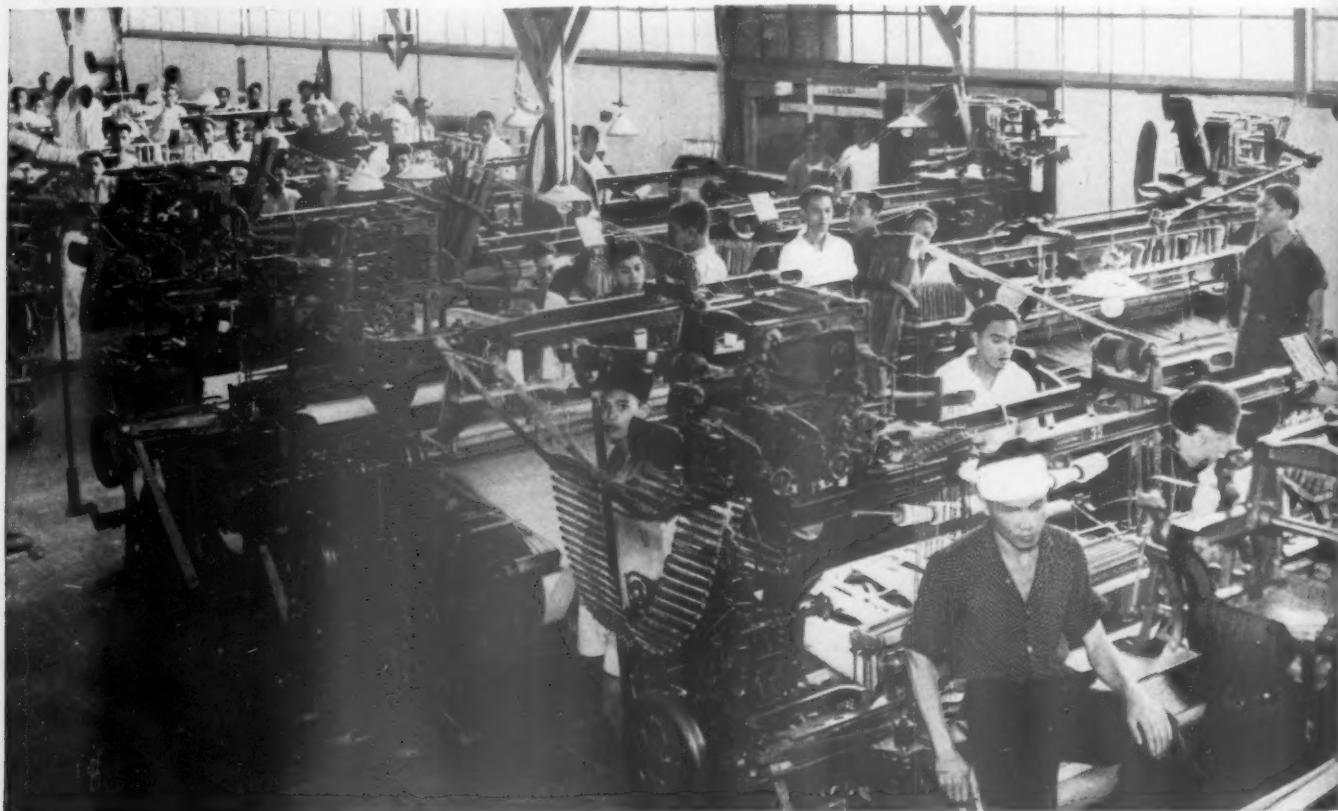
Relief for the Indies, unlike that for the Netherlands, is not mainly a problem of sending in large quantities of food. Thanks to the agricultural policies of the Netherlands Indies government, that area has in recent years become self-sufficient in foodstuffs.

What is required first, therefore, is a restoration of commerce among the islands. This will mean new ships, to replace those which were sunk or scuttled when the Indies fell. But many other commodities, such as clothing, medicines, hospital and household supplies, must be brought in from abroad to supply even the minimum requirements of the Indies' 70,000,000 population.

Then too, as in the European part of the Kingdom, much new equipment must be imported. Once the Indies have been liberated and reopened by adequate transportation facilities, tools, machinery, jute bags and other materials must be brought in before the production of many commodities which the world needs can be resumed.

The Netherlands Indies supplied the following percentage of specific goods imported into the United States before the war: rubber, 35 per cent; tea, 31 per cent; palm oils, 75 per cent; quinine, 96 per cent; pepper, 96 per cent; and kapok,

(Continued on page 62)



Once the East Indies are liberated, tools, transportation, machinery, and many other materials must be supplied before export of articles which the world needs can be resumed

WAR DEPARTMENT
ARMY SERVICE FORCES
OFFICE OF THE SURGEON GENERAL
WASHINGTON

FROM Norman T. Kirk
Major General
The Surgeon General, U. S. Army
TO The People of America
SUBJECT Venereal Diseases

1. In wartime, the venereal diseases become a doubly serious problem.
2. Wartime conditions encourage their increase. The disability they cause impairs the efficiency of the entire war effort, military and civilian.
3. The co-operation of every citizen is urgently needed to help in the control of venereal diseases. You can help — by gaining an intelligent understanding of these infections for your own protection ... and by supporting the efforts of the agencies which fight them in your own community.

DO YOU KNOW THESE FACTS?

Syphilis is Dangerous! It is a contagious disease and may be contracted innocently.

If untreated, it can destroy health and mind. It can wreck marriages. It can cause disability among productive workers. Early symptoms may disappear, deceiving the victim into neglecting medical care. Then, sometimes years later, syphilis strikes.

Syphilis is Curable! The first step toward cure is the guidance of a reputable physician. Prompt, regular treatment cures most cases. *Delay reduces the chance of cure ... self-treatment is worse than no treatment.* Medical science is continually searching

for improved methods of treatment. Just now, its attention is directed toward ways of safely shortening the period of treatment. Meanwhile, it is advisable to continue treatment over the longer period which is known to give excellent results.

"*The Facts About Syphilis*" is the title of a free booklet which Metropolitan will gladly send you upon request.

Eighth National Social Hygiene Day is being observed on Wednesday, February 2, 1944. The American Social Hygiene Association Headquarters, 1790 Broadway, New York 19, New York, will gladly send you literature and full particulars.

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THE ONLY WOMAN ever to win an auto racing cup in France finds American business gives fuller and deeper satisfaction than she gained in any previous triumphs

A Girl, an Idea —And America

By LAWRENCE DRAKE

NESMITH

PRETTY, Swiss-born Erica de Meuron stepped on United States soil for the first time, July 19, 1940. With her was her American husband, Edward W. Titus, retired publisher and business man, who had lived in France since 1925.

Like thousands of others, they were in flight before Hitler's Juggernaut. They had been forced to abandon in their home in *Cagnes-sur-Mer*, French Riviera, and in their Monte Carlo apartment, their collection of rare books and manuscripts as well as modern art, valued at \$250,000.

The source of their income, largely Paris real estate, was also in Nazi hands. Mr. Titus was well on in years. His wife, 28 years old, had no business experience.

However, she had an idea, her husband a shoestring. Today, the name Erica de Meuron has become a nationally known mark of elegance in women's dresses. *Life* recently rated her among the four best foreign designers of women's clothes in the United States. She has more than 100 people working for her, making the hand-knitted, go everywhere, sports-type wool dress she has originated. Top-ranking shops featuring her creations include Saks Fifth Avenue, Bergdorf Goodman Co., Lord

and Taylor, Bonwit Teller, all of New York; Henry Harris, Cincinnati; Bullock's Wilshire, Los Angeles; Neiman-Marcus, Dallas; Blums-Vogue, Chicago; Nellie Gafney, San Francisco.

To the stock question about the secret of her success, Miss de Meuron's reply is thoughtful and earnest:

"The secret is America. An idea on a shoestring . . . It can happen only here. I was afraid that I had come too late. So many told me that there were no more opportunities in America for the small business man. Maybe you have to come from another country to see it in true perspective. But I want to say this—the opportunities here are still fabulous."

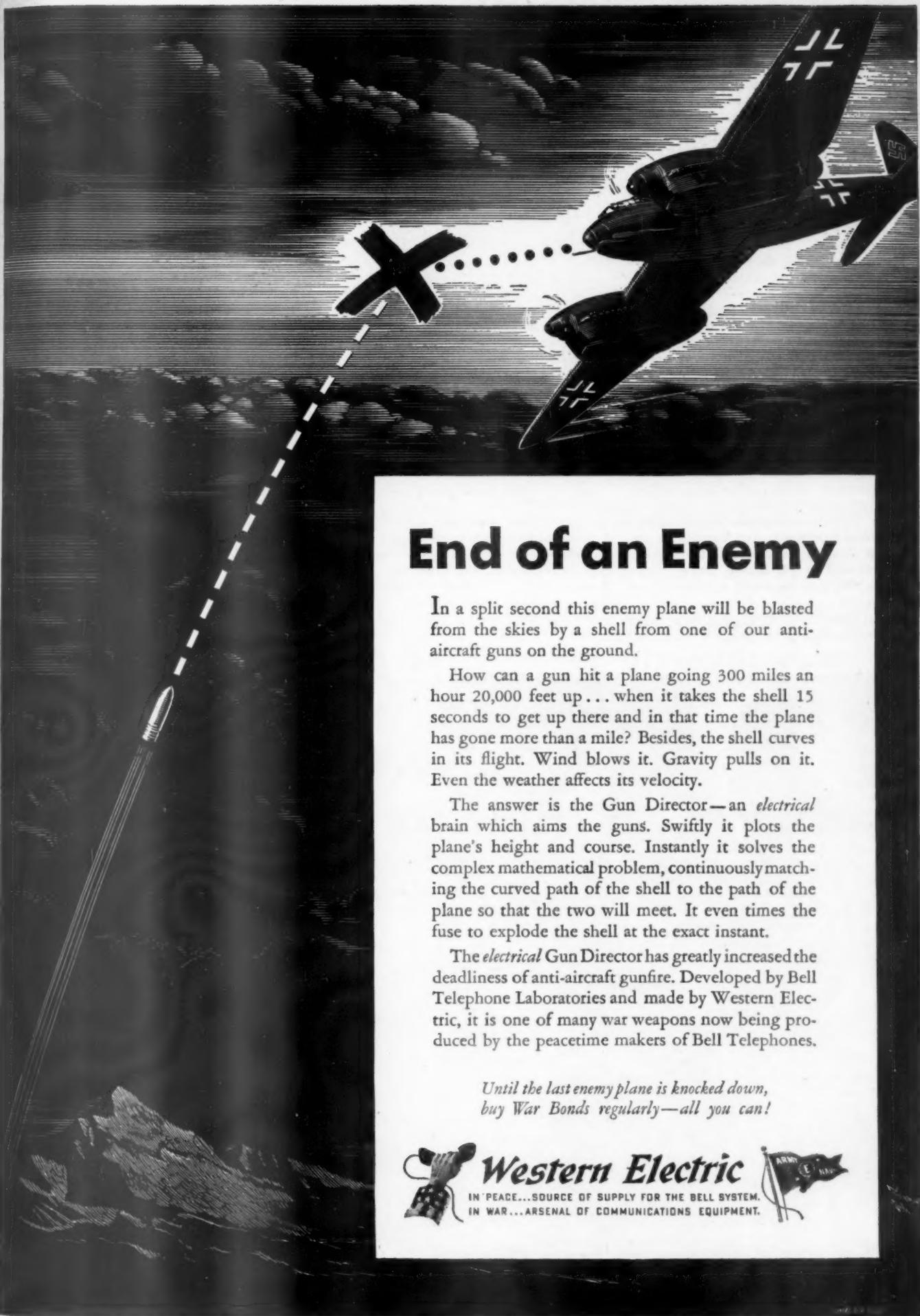
Manager of many trades

HER own designer, sales department, paymaster, order clerk and bookkeeper, Miss de Meuron works out her own color combinations, dyes her own materials, designs her own trimmings. Many of her workers are refugees from the occupied countries and she speaks to them with equal fluency in French, German or English. Simultaneously and with no apparent confusion, she sews on buttons, hands out materials, supervises the assembling of a new model, gives

orders to her forewoman, keeps an eye on the shop and wangles a badly needed supply of scarce wool yarn out of a reluctant but helpless wholesaler.

She suits her pithy comments to her acts: "I found out quickly that, in business in this country, you've got to be better than good. The American business man has to cope with the busiest and most discriminating public in the world. He can't take time off to make up his mind—his mind has to be made up. Is he hard? I've found that if you have plenty on the ball and are in there delivering, the American business man will go out of his way to help you. But there's no room in the game for mediocrities . . ."

Her background makes her success even more remarkable. She was born in Berne, Switzerland's capital city, whose natives, she explains, are considered by the rest of the Swiss as proverbially slow and rather dull-witted. Her father, Jacques Urech de Meuron, was director of the German-named *Bank in Berne* and on the board of directors of another French-named bank, *Credit Suisse*, business in that town being traditionally bilingual. Because her father had set his heart on her being a lawyer, young Erica received what is in European



End of an Enemy

In a split second this enemy plane will be blasted from the skies by a shell from one of our anti-aircraft guns on the ground.

How can a gun hit a plane going 300 miles an hour 20,000 feet up... when it takes the shell 15 seconds to get up there and in that time the plane has gone more than a mile? Besides, the shell curves in its flight. Wind blows it. Gravity pulls on it. Even the weather affects its velocity.

The answer is the Gun Director—an *electrical* brain which aims the guns. Swiftly it plots the plane's height and course. Instantly it solves the complex mathematical problem, continuously matching the curved path of the shell to the path of the plane so that the two will meet. It even times the fuse to explode the shell at the exact instant.

The *electrical* Gun Director has greatly increased the deadliness of anti-aircraft gunfire. Developed by Bell Telephone Laboratories and made by Western Electric, it is one of many war weapons now being produced by the peacetime makers of Bell Telephones.

*Until the last enemy plane is knocked down,
buy War Bonds regularly—all you can!*



terms a man's education. She graduated from Berne City College in 1931, one of four girls in a class of 450 young men.

Her father's hopes were, however, to be disappointed. Erica had spent her every spare hour while at College, and a good many, it appears, she couldn't spare, skiing, swimming and playing tennis. Toward the end, ice hockey became her particular passion, twice costing her a broken leg. Once she graduated, her desperate father sent her away to a nice middle-class school for young women, "to improve my manners and my language."

For a year she suffered while her parents hoped. She practiced the polite speech and manners, refrained from sports, cooked, sewed, knitted, made millinery. At the end of the year she induced her father to allow her to travel for a year. At this point, she was determined to seek a career on the stage.

In the course of her travels she met Mr. Titus in London, in the Kensington studio of the famous sculptor, Jacob Epstein. A year later they were married and moved to the south of France. She designed the home they built, decorated and furnished their fashionable Monte Carlo apartment, took up painting (photo on page 32 shows her with one of her own canvases), for which she discovered she had a natural talent, devoted herself to gardening, raised dogs, became like her husband a collector of modern art.

When these activities, plus swimming and tennis, failed to provide sufficient

outlet for her energies, she took up auto racing and won the only auto racing cup ever awarded a woman in France.

Miss de Meuron sees in her own transformation in the United States a lesson for the whole of Europe. There her energies and talents were used only for her personal satisfaction. Here she has found the opportunity to apply them toward creating wealth and providing employment.

Here business is dynamic

"THAT gives fuller and deeper satisfaction."

She holds that the change was not simply the result of her need to earn money.

"The atmosphere here is different."

Here business is clearly the dynamic and creative force behind our society. In Europe people of her background and temperament often regard business and industry with contempt. Here, because of the tremendous role of the business man and industrialist, she found herself standing before both with awe. That was a challenge.

Vividly articulate, Miss de Meuron tells her own story well:

"During my first weeks in New York, I must have spent most of my time on the streets, taking in everything. I was deeply attracted, but I couldn't tell how. I used to love to wander about Paris. Paris touches your senses, New York goes to your head, to your imagination. I tried to grasp this—this force that

made me feel inexplicably idle and wouldn't let me feel sorry for myself, although I was terribly worried and homesick.

"One day it happened, just like that. We were passing Saks on Fifth Avenue, and I saw that the remarkable window displays were taken from paintings by *le douanier Rousseau!* It was tremendous! I recalled how critical Americans abroad often were about art and life in their own country. I saw that they were wrong. I think America is something of time as well as geography. I felt then that I was born an American and that at last I was where I had always belonged. Here art belongs to the people. It is a part of everyday life, unpretentious, colloquial. It is used as important everyday expression in everyday life. As it should be, it is for today and not the centuries.

"I had to answer all these questions because, although I had always been objective, I was inclined to regard myself as a sportswoman and artist. What I thought was objective in the south of France now appeared to me as stuffy, egotistical and fatuous. Right there I knew that America and I clicked, and right there I made up my mind to become a part of it.

"I made my start with a suède bag I designed. I knew a process for making paint stay on leather. I had a sense of design and color. I meant to produce something elegant, but at the same time sophisticated and even witty. I hunted

(Continued on page 66)



Because 45 women were so eager for work that they climbed five flights of stairs, Erica de Meuron hired them all, then found that her "shoestring" would not buy supplies and meet the pay roll



LIKE PUTTING A CITY under a microscope

The design of electric power systems to meet future needs must be based on accurate, painstaking analysis. Mathematical calculations often require months of tedious work, to obtain even an estimate of the effect of added loads or generators on system operation.

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Portrait of a Man with a Mission

By HERBERT COREY

MALCOLM ROSS, chairman of the President's Fair Employment Practices Committee, ignores questions of authority as he fights the color line in industry

MALCOLM ROSS is the chairman of the President's Fair Employment Practices Committee. The FEPC. He is a pretty high-class person. In "Who's Who" he is listed as member of the Coffee House Club, Democrat, and author. He is 49 years old, six feet tall, weighs 175 pounds and is of a skinny muscularity. His red hair is now grizzled over, his widely set-apart eyes are of a light Scotch blue, and he is generally angry in a sentimental kind of way. The world, he thinks, is fairly cock-eyed.

At this moment a committee of Congress has directed the FEPC to produce its files and correspondence. The committee mildly wonders whether the FEPC has not been getting too big for its statutory breeches. The word statutory is used recklessly. In fact, the FEPC has no standing in the statutes. It was created by Presidential fiat. The presidential authority to issue such a fiat has been questioned. The question may go to the Supreme Court.

Chairman Ross, as one observer sees him, is not at all bothered by the fragility of the FEPC's legal underpinnings. He thinks that what the FEPC has done is right. Eternally right. It may—as has been alleged by the 16 railroads in the

The negroes drive out the whites. Hotels do not permit colored guests to register. The white guests would leave. In the Western Electric Company's Point Breeze plant the white employees threatened to strike if they were not given separate toilet accommodations. The FEPC ordered that the whites continue to wash their faces in the same basins as the colored employees. Anything else would be discrimination said the FEPC. The agency also ordered the 16 southeastern railroads to employ and upgrade colored workers on the same terms as white employees.

Enter a pretty ridiculous fact.

Don Quixote used to get on his horse and charge the windmills. But he probably picked his windmill. He certainly would not charge a friendly mill.

Chairman Ross gave his orders to the 16 railroads. They pointed out a number of things. The fact that he is not a legal person at all; that it is practically impossible to do what he ordered them to do without making race trouble in the South—which by comparison with the North has been getting along nicely; that they could not do what the FEPC ordered done, even if they wanted to do it.

Southeastern Association—upset the racial apple cart in that section. It may, as the roads say, further embitter the sufficiently bitter antagonism of negro and white in the United States. It may—as calm sociologists fear—add to the danger of explosions of racial hatred. These things may fret Chairman Ross but they would not stop him. His head, as Henry once observed, may be bloody occasionally, but it is unbowed.

The FEPC was given the task of tearing the color line out of industrial relations. This means in effect that it is set to rip the color line out of American life, because it touches every phase of it. A Y.M.C.A. cafeteria is thrown open to negroes and whites.

Because seven railroad brotherhoods are opposed.

The seven brotherhoods did not even reply to Chairman Ross. They did not attend the meeting he called. They snooted the FEPC. Any one who has a bowing acquaintance with practicality knows that, if the brotherhoods refused to accept colored workers on even terms, the roads would be as powerless as so many sick cats.

This may not be as it should be in the perfect world to which Chairman Ross looks forward, but it is as it is in the world we live in. But Mr. Ross levelled his fire on the 16 railroads. He once spoke of the "stupid obduracy" of employers. He could not set his lance against the seven brotherhoods, because he is a friend of all union men.

"Workers themselves," he once said, "must be the ones to exert pressure on shortsightedly obdurate employers."

Mr. Ross certified the 16 railroads, who could not compel the seven brotherhoods to break down the color line, to the President for action. It was this that brought about the congressional seizure of the FEPC's files. The committeemen wanted to know what was going on, anyhow, at this particular moment of national trouble. A reporter for the Washington *Times-Herald*, seeing Mr. Ross bravely certifying the employers to the President, although it was the brotherhoods who had defied him, asked:

Excusing the brotherhoods

"ARE you going to certify the unions to the President?"

"No," said Mr. Ross sharply.

Incidents of this kind find Chairman Ross on the wrong end of a predicament. Or so it seems to the onlooker. Perhaps it does not seem that way to Mr. Ross.

Mr. Ross began life in Newark, N. J., in 1895. His father, William Lawrence Ross, and his mother, Gertrude Estelle Ross, paddled their canoe on the river in the days of their romantic youth. That was not feasible for young Ross. The river was laden with dead cats, oil and the refuse of a busy industrial city. Still he was able to climb into the cross trees of a sailing vessel now and then and plan a life of adventure. The Rosses are distinctly of the class that has "connections." They have lived in this country 200 years, married into other good families, and sent their children to pri-

vate schools. Young Ross did not think much of the private schools. Having had a turn toward the serious from boyhood he called the education they pursued "sloppy." Chance directed him to the Hotchkiss School for his pre-college schooling. The life was harder and more practical and he liked it. He enjoyed getting something out of books.

In 1915 he graduated from Hotchkiss and went to Yale. In 1919, after an interval as first lieutenant in the American air force—he did not get overseas—he was given his A.B. It had been a simple, well behaved, mildly spiritual period. On one occasion the Christian society sent him out to deliver a sermon to a congregation of Yankee farmers. He speaks of them as "stolid." Perhaps he does not fully know the Yankee farmer. Perhaps he does. He recalls that the only other time he suffered so gravely from the jitters was when he was ordered to lecture some husky army recruits from the West on the evils of sex. That threw him.

A start on an easy road

HE set out after graduation to make money and live the easy-going, white-cottage-in-a-suburb, safe and content life of other young men of his social class. It did not occur to him that anything else could happen. He doubts whether up to this time he had ever thought, and certainly he had not thought deeply. Probably not many other young men have thought deeply at that age. Deep young thinkers are rarely popular. Ross became a bond salesman in the New York office of Lee Higginson and Company.

No more striking evidence of the quality of his family "connections" could be offered.

Colonel Higginson was not merely Boston's principal banker and broker but he was one of the not-so-minor gods of New England. He was born to the purple, he was a hero of the Civil War, he was of unimpeachable integrity and a fiery individualist. A young man in his employ was hall-marked for quality and destined inevitably for wealth and content. But Ross detested bond-selling. He did not like to toe open a door and tell a perfect stranger that the bond he held in his hand was good for what ailed him. He had a friend with whom he had often planned to roam the wide prairies—or something—to see what was going on in the world and what was really back of the bonds. Lee Higginson did not fire him. He was doing about as well as the other young men from Yale university. He just quit and went west.

The plan was to make a fortune, of course. Every other young man was doing the same thing. Money was easy, the boom was on, oil wells were bursting out of the ground, filet mignons were three inches thick, farmers were buying silk underwear, show windows sparkled with diamonds.

Presently Ross held a muscle job in the wet shift of a copper mine.

He did not mourn the fortune he had not made. He liked the life, the hard work, the feeling of power in his biceps,

the good food, the sluicing off the red muck under the hot shower when the day was over. He moved on to the Burk Burnett oil field and laid pipe. He was beginning to see with more discerning eyes. His mates in the copper mines had been grand fellows, but in the oil fields he found his fellow muckers "an ornery lot. Ranging from normal to riff-raff."

But he liked it. The mud and the oil-field girls and the Choctaw beer and the occasional shootings and knifings were unreal to a man who had family connections, but were as brilliantly interesting as the silver watch the hypnotist swings.

Then the financial crash came.

Jobs ceased to be. If he had been a real laborer at heart he might have moved on in the West, looking for nonexistent work. Instead he turned on his family connections and became a police reporter on the Louisville *Courier-Journal*, on assignment to write a daily poem on the side. Half the day he looked on the lower forms of human life. The other half he wrestled with hearts and flowers. When he reached the Morning

World of New York he had become a realist, or an idealist, or a romantic, or something of a combination. He wanted to write novels. He was a good reporter—he had been sent on tour with Billy Sunday to do a continuing feature—but he had a strong turn for romance.

"Why don't you write about truck drivers?" asked James M. Cain one day. "They're real people."

Ross does not agree entirely but he concedes that Jimmy Cain's "The Postman Always Rings Twice" might have been written about folks in the white collar and chiffon circles. Same people, same loves, same murders. He still thinks the *Morning World* folded up because it went Park Avenue after Joseph Pulitzer died.

He saved or made or was given enough money to make a trip to Italy and live the life of Reilly with other young authors in a sunny village in which wine, cheese and bread were the chief necessities. His new habit of life had been established. The Ross family is a grand family and he loved it but he was mov-

The Committee at Work

EMPLOYERS whose employment practices fail to meet FEPC requirements receive directives guiding their future procedure. Here is what the Committee required of one company:

In the light of all of the facts and opinions submitted to the Committee and in keeping with the duty of the Committee as set forth in Executive Order 8802 to redress grievances which it finds to be valid, the Committee directs that you take the following steps:

- 1 • Issue formal instructions to all of your personnel officers and employees to recruit, employ, train, or upgrade prospective worker or workers solely on the basis of the qualifications of applicants or workers without regard to their race, creed, color, national origin or citizenship;
- 2 • Issue formal instructions to the appropriate officer of your Company to delete from its Application for Employment form any reference to race or religion which may be included on it;
- 3 • Give formal notice to any employment agency, whether public or private, through which your company recruits workers, that it will accept needed workers for any and all classifications of work solely on the basis of their qualifications without regard to their race, creed, color, national origin, or citizenship;
- 4 • Give formal notice to any training institution or agency through which your Company recruits or trains workers for upgrading that your Company will accept workers for any and all classifications of work solely on the basis of their qualifications and without regard to their race, creed, color, national origin, or citizenship;
- 5 • Give formal notice to . . . [the union] that it will comply fully with its obligation not to discriminate against workers because of race, creed, color, national origin or citizenship in recruitment, upgrading or in any other terms or conditions of employment.
- 6 • Furnish the President's Committee on Fair Employment Practice with a copy of each of these instructions and notices on or before December 5.
- 7 • Submit a monthly report beginning December 1, 1942, indicating the number of Negroes employed, the number in employment at skill level (skilled, semiskilled and unskilled), the number in employment as operators, and similar statistics covering white workers.

By direction of the President's Committee on Fair Employment Practices.



AUTOMATIC SECRETARY (No Nylons Required)

ALL around the clock this post-war gadget takes down telephone messages and repeats 'em . . . with no wrong numbers . . . whenever the hard-worked executive gets back from the Club.

Ingenious little electrical device, isn't it? It may be a long time coming . . . but when it does the smart manufacturer will include Cannon Connectors in its intricate make-up. Bet on it that wherever electric current is carried and there is need of quick, positive connections a Cannon Quality Connector is bound to fill the bill. And there's nothing better to be had.



Cannon Battery Connectors—like the GB-3-34B receptacle and GB-3-21B Plug shown here—are adapted to general industrial uses as well as quick disconnect of engine starting units in aircraft. Besides wartime uses, Cannon Connectors are standard in scores of industries . . . radio, television, lumber, aviation and motion pictures, to mention only a few.

CANNON ELECTRIC

Cannon Electric Development Co., Los Angeles 31, Calif.

Canadian Factory and Engineering Office: Cannon Electric Co., Ltd., Toronto



REPRESENTATIVES IN PRINCIPAL CITIES—CONSULT YOUR LOCAL TELEPHONE BOOK

ing away from "connections." In 1931 he became the representative of the Quakers in the southern coal fields.

The coal mining business was at its worst. Miners who had no food and no work were striking because they had no food and no work. The coal operators could not sell enough coal at prices that covered the outgo. Both sides used violence. Kentucky was again a dark and bloody ground. He could not write the facts as he saw them because he feared that, if he did, the Quakers would not be permitted to bring food to the starving babies.

Everything was wrong, it seemed to him. There were right things on both sides and good men and kindness, but they were not put together as they should be. In 1932 he wrote "Machine Age in the Hills." From that day on if you called him a reformer you would be understating him. He returned to New York to live in a borrowed basement on spaghetti cooked in a stewpan. When this phase seemed about to end for lack of money he retired to a cabin on the Housatonic to write a novel.

Reforms from Washington

NEXT day there came a telegram:

"Job waiting for you in Washington."

He mounted his high-pooped old Packard, threw aboard what goods he had, and set out for a new adventure.

The new job was in the NRA. He went in with high hopes. He was to have his chance to make over the world under government auspices. He found the NRA tangled, confused, and he did not find it the instrument of reform he had anticipated. Col. Hugh Johnson, it seemed to him, was primarily trying to get business back to normal and not to pull stars from the skies. But he had a good time.

He married Miss Camille Miller—"one of the many beautiful girls who had come to Washington to work for the Government"—he acquired a dachshund, a home in Vienna, Va., and ultimately a son. In his way through life he had written "Penny Dreadful" and "Deep Enough," which are novels, "Sailing the Skies," which was a product of a brief connection with early aviation, and a technical book, "Hymn to the Sun." His latest is "Death of a Yale Man" which has had some success.

In 1936 he became the director of information for the National Labor Relations Board. He liked it. By this time he had become a thorough going sociologist. That is one name for reformer, radical, hell-raiser. He speaks of himself as a hell-raiser. It is difficult, he observes, to speak in carefully modulated tones when some one is yelling at you to go to hell.

He thinks "the world is not a safe toy for lightly indifferent hands. It is a dangerous and complex contraption, badly needing adjustment and requiring mechanics who can go at the damned thing without fastidious fear of grease and bruises."

Perhaps Mr. Ross is that kind of a mechanic.

The FEPC seems to have had a triple
(Continued on page 68)

How to open your business to new Sales and Profit



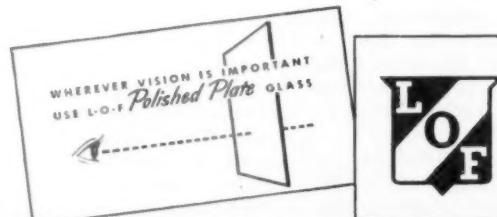
When the time comes to remodernize your stores, follow this pattern to increased sales and profit:

Make your store front a *Visual Store Front*. It's the kind of front that, in effect, puts your sales counters on the sidewalk. It lifts one of the biggest barriers to store selling—the barrier that stands between the interior of your stores and the traffic that passes by your stores.

Experience has proved that the *Visual Store Front* builds sales in three important

ways. 1. It builds store traffic. 2. It increases merchandise display. 3. It brightens the store interior.

There are many new kinds of Libbey-Owens-Ford glass today that make the *Visual Store Front* more practical than ever before . . . glass that you should know about. Be sure to consult your store front designer before your modernization plans are put on paper. Libbey-Owens-Ford glass distributors and glazing contractors everywhere invite your enquiry.



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A GREAT NAME IN *Glass*

Incentive—in Reverse

By FRANK HOBBS

President, Pacific Huts, Inc.

RETURNING soldiers may find themselves jobless because present tax laws make it impossible to start businesses which might otherwise employ them



GEORGE LOHR

The ex-service man who wishes to exercise the American right to go in business for himself will be right behind the 8-ball

ONE OF the most important keys to postwar employment and prosperity is establishment of thousands of new, small businesses.

We know that our returning servicemen will want jobs in private industry. Some of them will want to go into business for themselves. This should be their American privilege.

Yet our present tax laws discriminate so drastically against a new business and in favor of firms established before the war that a person is almost foolhardy to risk his time and money.

When the present tax laws were written there wasn't such urgent need for new businesses but the need for them will be critical in the postwar period and we should devise laws to give encouragement to new industries.

Let's see what would happen if you wished to organize a new business to employ say 200:

Suppose you and some associates, or possibly you alone, have \$100,000 for equity capital. You will be able to borrow another \$100,000 making total working capital \$200,000.

Let's assume that your product is right, that you are able to get supplies

promptly, that your production and distribution problems work out satisfactorily, that you are able to obtain and train labor quickly. People are prosperous and willing to buy. Moreover, we'll presume that everything works out well in that first year when risk is always greatest.

Let's say your new company turns over the investment five times in a year, producing sales volume of \$1,000,000. Profit on this volume would be at the ratio of five per cent net, before taxes, or \$50,000.

If your corporation would be placed upon an invested capital basis for computing taxes under the excess profits tax law, as is quite likely for a new company, the tax would be \$36,000, leaving only \$14,000 for allocation to surplus or for payment of dividends.

Let's look at your competitor who went into business before this present tax law was enacted. He has been established long enough to have his tax figured on a four year period earnings basis.

His investment was \$100,000 at the outset. He borrowed another \$100,000, which now is replaced by surplus. He

has done \$1,000,000 business volume each year and realized five per cent net before taxes.

So your competitor's net profit totals \$50,000, just as yours, but here the similarity ends. His taxes, figured on a four-year earnings base, are \$20,000, so he has \$30,000 left to allocate to surplus and payment of dividends.

In other words, he realizes more than twice as much net profit as you, and has comparatively little risk.

You are interested in producing something and building a business which will employ 200 to 500 persons. But you risk losing all of your time and capital while the odds are stacked against you.

How does this work out for the smaller investor with \$10,000 capital?

Suppose you are a returning serviceman, you save your money and have developed some business ability which you wish to put to work.

With \$10,000 base capital you borrow another \$10,000, making \$20,000 working capital. Let's say you have good luck in that risky first year. You turn over your working capital eight times for a gross volume of \$160,000. Your operation is the kind on which you make a ten per cent net profit, before taxes, or \$16,000.

New company; big tax

AGAIN figuring your excess profits tax on an invested capital basis, your tax is \$10,500. You have \$5,500 left to help pay off your loan and build up surplus. Of course, there would be nothing for a dividend until after the loan is repaid.

Your long-established competitor, who originally invested \$10,000 and borrowed \$10,000 more, has repaid his loan out of surplus, giving him \$20,000 working capital, the same as you. Because of his earnings experience over a period of years he would not be subject to the excess profits tax.

His business volume is \$160,000, and



When an Army Moves!



Norden Bombsights

Years of experience in precision manufacturing are enabling Burroughs to produce and deliver the famous Norden bombsight—one of the most precise instruments used in modern warfare.

New figuring and accounting machines are also being produced by Burroughs for the Army, Navy, U. S. Government and other enterprises whose needs are approved by the War Production Board.

When an army moves, it puts to the test a tremendous volume of patient, precise figuring:

Figuring the size of the forces . . . How many troops? What proportions of air, ground, armored?

Figuring maintenance and supplies . . . How many shoes and ships and tank destroyers, trucks and hundreds of thousands of other items?

Figuring to anticipate contingencies and casualties . . . What reserve strength? What quantities of medical supplies?

Figuring rapidly and accurately to avoid delays and deprivation that may uselessly endanger lives.

Wherever there is figuring that supports the war, thousands of Burroughs machines are on the job, expediting and simplifying the work, contributing to accuracy. In war, as in peace, Burroughs machines serve the nation.

BURROUGHS ADDING MACHINE COMPANY • DETROIT

Burroughs

★ BUY MORE WAR BONDS ★

his net profit is also \$16,000 before taxes. His profits tax is only \$4,225, leaving him \$11,775, more than twice as much as your \$5,500.

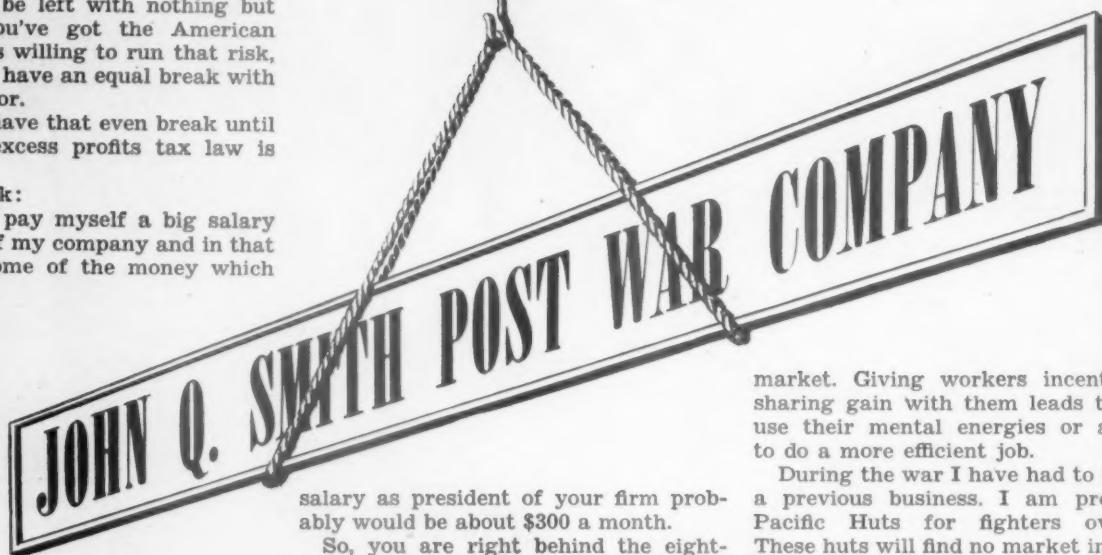
Remember, you are investing your time and money. Maybe you'll lose everything and be left with nothing but debts, but you've got the American spirit which is willing to run that risk, providing you have an equal break with your competitor.

You won't have that even break until our present excess profits tax law is changed.

You may ask:

"Couldn't I pay myself a big salary as president of my company and in that way retain some of the money which

The odds are stacked against a man who hopes to build a business and employ 200 to 500 workers



otherwise would go into excess profits tax?"

The answer is "No." The Treasury Department is alert to this possibility and, in computing taxes, will not allow you to pay yourself a salary out of proportion to the size of your business. Your competitor might be able to justify a higher salary for himself than you could.

With your \$10,000 investment your



salary as president of your firm probably would be about \$300 a month.

So, you are right behind the eight-ball compared with a competitor of similar size, to say nothing of the larger National corporations with thousands of stockholders, with sizable earnings histories and tremendous capital.

Let's have our politicians do a little postwar planning and thinking, and get this unfair tax system righted immediately.

Our Army is doing much to recreate individualism. We are teaching soldiers to act on their own—to look out for themselves and use initiative and resourcefulness.

Freedom to use abilities

LIKEWISE on the home front we find many people who have left their previous employment and taken war production jobs. The challenge of new problems has brought out in them certain abilities which they did not know they possessed. The right to use these abilities is the individual's true measure of freedom.

The United States became a great nation because it maintained that right. It gave incentive and opportunity for initiative and enterprise. Now we are taxing that right away.

Briefly, here is the problem as exemplified in my own experience. I am a small business man who likes to create and develop a product. I have been successful in this throughout my lifetime. I have developed the "know how" to handle production, merchandising and distribution.

I like to build new things and find great satisfaction in creating a new product, building an organization, and developing economical production facilities designed to provide employment for some 200 to 500 men.

I believe in sharing the profits and savings with the consumer, with labor, and with capital. In giving a good product to the consumers at a reasonable price, I am expanding the

market. Giving workers incentive by sharing gain with them leads them to use their mental energies or abilities to do a more efficient job.

During the war I have had to forsake a previous business. I am producing Pacific Huts for fighters overseas. These huts will find no market in peacetime.

When the war business ceases, Pacific Huts, Inc. will be liquidated and I will be obliged to find a new field of endeavor.

I would like to transfer the efficiency of my present organization into one or several others devoted to peacetime production. I would like to give the men now in our organization an opportunity to develop their efficiency, initiative, resourcefulness and enterprise for their own personal benefit.

Remember that I do not have to do this. No one can force me to design and create a product, to lay out and organize a factory, to advertise and undertake to merchandise a new product. I don't have to do this to earn a living, as I could obtain employment which would provide the means for shelter and sustenance.

The old jobs only

BUT, much as I prefer to exercise enterprise in building a business, I find myself today facing a stone wall of inequalities because of our present tax structure.

Until it is changed, there is little alternative for our returning servicemen and others except to work for already established employers or the Government.

I am sure that our Congress and postwar planners will take steps to correct this un-American inequality once they realize how our present tax laws work. It is unthinkable that we should have laws which directly discourage the development of individual enterprise.

I don't care how high the taxes are on my business, just so they are on an equitable and proportionate basis and not stacked in favor of my competitor.

All of us had better be thinking about this, or we may not have much postwar employment. Under the present system, there exists only an "incentive in reverse."



Southern Giant!

Robot? Man from Mars? No, this is the fast-growing paper giant that sprang from the fertile soil of America's mighty Southland.

Like many another industry, the pulp and paper business has found that the modern South is a great growing-place for industrial giants.

Richly endowed by Nature with an abundance of raw materials and natural resources, the Southland is the place for imaginative developments of every kind.

Pioneers with vision find here a favorable climate ...a plentiful supply of power...efficient, intelligent

labor...and dependable, economical transportation —the Southern Railway System.

Today, the Southern Railway and the territory it serves have joined hands to speed the coming day of final Victory.

Tomorrow, after the war, they will continue to work together...helping to build a richer, greater Southland...sharing proudly in the development of more Giants of industry, agriculture and commerce.

Look Ahead—Look South!

Ernest E. Morris

President

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you can combine
GOOD LIGHTING
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GOOD LOOKS*



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HERE are three of the new Fixtures from the complete line of GUTH Commercial Fluorescent. A glance tells you they're smartly styled—modern as tomorrow! In addition, there are also new Industrial types.

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GUTH Catalog No. 42.

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"LEADERS IN LIGHTING SINCE 1902"

Postwar or Postponed?

(Continued from page 27)
how will they be removed? Another is the disposition of war plants and surpluses—how can this be accomplished with the least wrench to the economy?

These and a few others constitute the immediate broad issues, the determination of which will decide what direction our economy will take at war's end. Other issues are minor—save one, which is the key word for them all: employment. This, too, will depend in large measure upon correct answers being given to the national issues.

The approach to all these problems must be that of the national interest. Business, industry, labor, agriculture—the various segments of the economy—will find their places, and attain their degree of prosperity, only if the interests of all—which is to say the interests of the American public—are served.

If solutions are to be based upon group interests, then we will enter upon a post-war period of confusion and struggle and jockeying for position among the

have been trying to state the principles that must be followed if we are to have the investment and development that will lead to general prosperity for all groups at war's end. This is the essence of postwar planning in the national sense.

State and local planning

SECOND, we have been striving to bring the question of postwar readjustment home to the states, which must not only assert their rights but assume their responsibilities, and to the average community where it must finally rest, if we are to avoid its full assumption by the federal Government. Here is a challenge to leadership in both state and local chambers of commerce.

Through our contacts with local and state chambers, we have stimulated the creation of committees to study and deal with postwar employment and other problems. More than 600 communities have set up such committees—including, of course, the well known experiment at Albert Lea, Minn. There a cooperative venture was established, participated in



If public works are to fill their proper and important place in taking up slack, they should be blueprinted and ready

groups. Ultimately such a procedure will lead to disaster, because it will focus at Washington, and create still more strife. Those who would think about the post-war must do so first as Americans.

We, therefore, are trying to express sound economics rather than business interest with respect to the broad issues that have been mentioned. Particularly through the publications sponsored by our Economic Policy Committee, we

by the National Chamber, the local chamber, the Committee for Economic Development, the University of Minnesota, The Federal Reserve Bank of Minnesota, The Minneapolis Star Journal, and the North West Research Committee. The purpose of this survey was to determine as nearly as possible what the job challenge and the job opportunities will be in that community.

Needless to say, projected job oppor-



**It takes more PAPER
than rails
to run a Railroad**

**KIMBERLY
CLARK
CORPORATION**

NEENAH, WISCONSIN

Yes, the paper for tickets and timetables alone, each year, would cover more than 150,000 miles of track. And those are only two of more than 3,000 forms it takes to operate a large trunk line railroad.

A train is not permitted to move from its terminal without a clearance slip. And should the train crew miss its orders, the fast freight or passenger limited racing across the continent must come to an abrupt halt.

Without way bills and bills of lading freight would be lost in transit. Without split-second schedules trains would miss their appointments with convoys. Without arrival cards, report sheets, bills, checks and all the other vital pieces of paper the railroad would be paralyzed.

Indeed paper is indispensable to the railroads... and to every other branch of commerce and industry. Today's war effort and tomorrow's peacetime progress are vitally dependent upon paper.

*Levelcoat** PRINTING PAPERS
IN WARTIME

In producing Levelcoat Printing Papers during wartime, at Kimberly-Clark the constant watchword is "Conserve America's critical resources."

And while conserving wherever possible, these men are devoted to the task of producing for you the finest quality Levelcoat that can be made under wartime conditions.

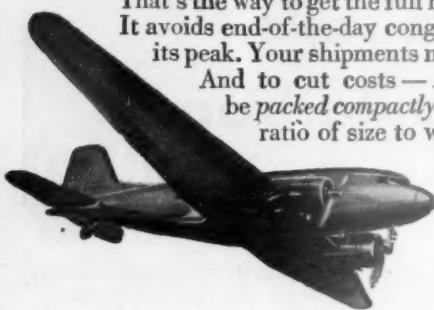
*TRADE MARK

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WHEN your AIR EXPRESS shipments are ready, reach for the phone. Don't wait for "routine" afternoon pickups. Pack as early in the day as possible and SHIP WHEN READY! That's the way to get the full benefit from AIR EXPRESS service. It avoids end-of-the-day congestion when Airline traffic is at its peak. Your shipments move faster, are delivered faster.

And to cut costs—AIR EXPRESS shipments should be packed compactly but securely, to obtain the best ratio of size to weight.



A Money-Saving, High-Speed Tool For Every Business

As a result of increased efficiency developed to meet wartime demands, rates have recently been reduced. Shippers nationwide are now saving an average of more than 10% on Air Express charges. And Air Express schedules are based on "hours", not days and weeks—with 3-mile-a-minute service direct to hundreds of U. S. cities and scores of foreign countries.

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tunities in the national sense cannot be based on consumer buying estimates alone. Such estimates may, after all, be only a measure of inflationary threat, and should be so recognized. But the more towns that know exactly, or even approximately, what the situation will be at the local level, the more the need will be apparent and understood for a free-flowing economy so that job opportunities can be provided under private rather than state enterprise.

Community problems

THE technique of these local studies doesn't matter so much. The important thing is for the community to know just what it will face: how many employed men went away to war; how many will probably return; how many have come in from outside, or from neighboring farms, to take their place? How many women have gone into industry, and how many will probably remain? What, as nearly as can be estimated, will be the job possibilities?

If new industries have been created for war production, which ones will wash out, which ones may become permanent? Of the old industries converted to war work, how soon can they be reconverted? What will be the demand for their product? Of those that are obsolescent, what can be done to modernize them or the things they make? What completely new industrial opportunities can the city develop?

What, also, of public works? Public works are not the permanent answer to mass unemployment; but they do have a very proper and important place. For one thing, we have been accumulating a great reservoir of generally needed maintenance and new buildings that can be classed as capital improvements, and that would have gone forward had it not been for the war. They are postwar only in the sense that they are postponed. If they are to count in taking up the post-war slack they should be blueprinted and ready—now.

Freedom of initiative

FINALLY, it is not enough to worry about dollar recovery and job insurance and industrial readjustments. Those things are all important—but they are not insoluble, so long as we do not forget our freedom.

Not only can we survive, we can flourish in the postwar period, provided we continue to trust our own genius and cling to a few and simple formulas—namely, that individual initiative, after all, is the best stimulus to achievement and full freedom; that government is a creature and not a creator; and that social gains, which are the aim of all enlightened people, can be permanent only when grounded in an economy that will support them.

I am not at this point decrying big government. Bigness is the order of the day; and we can't, in a period of complex industrialism, get along with the simple governmental forms that sufficed for our agrarian period. We are in a time of

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No NEED to put your entire office personnel to work in preparing payroll checks!

If you want a payroll method that will—
Cut down on bookkeeping—and help solve
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Speed up the time it takes to write checks and
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Cut down the cost per check—

Simply call your nearest Comptometer Co. representative and ask for details on the Comptometer Check-and-Payroll Plan. He'll be glad to explain this quick, efficient and economical method—at no charge to you. Felt & Tarrant Manufacturing Company, 1712 North Paulina Street, Chicago 22, Illinois.

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ADDING-CALCULATING MACHINES AND METHODS

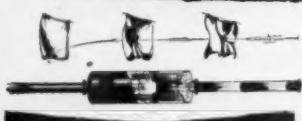


LLOUD exhaust noise of Diesel engines is "born" of fast moving slugs of exhaust gas which strike the atmosphere and cause the exhaust pipe to roar. Burgess Snubbers prevent this noisy impact by breaking up the high pressure slugs and smoothing out the flow of vented gases.

With Burgess Snubbers, Diesel engines can be safely installed in critical locations where noise cannot be tolerated, such as in hospitals, hotels, office buildings, and residential districts.

Probably you have never noticed a Burgess Snubber. That's because the Diesels equipped with them are so quiet no one is aware of them.

THE SNUBBING PRINCIPLE



The chambers in the Snubber act like a series of thin blankets through which a golf ball is driven, and gradually slow down the fast-moving exhaust slugs so they leave the tail pipe in a smooth, quiet flow.

If you are planning on using Diesel power, insist on Burgess Exhaust Snubbers too—then you'll be sure of a quiet exhaust. Burgess Battery Company, Acoustic Division, 2817-P West Roscoe Street, Chicago 18, Illinois.

TYPICAL APPLICATION



This Diesel-operated power plant at Lamoni, Iowa, is typical of the hundreds of plants in which Burgess Snubbers are producing quiet exhausts.

BURGESS DIESEL EXHAUST SNUBBERS

readjustment—of finding the proper balance between individual initiative, and those activities of the group that can best be prosecuted through government action.

Quoting Thomas Jefferson is not the answer. We are living in 1944. But there is a danger in the threatened submergence of the locality within the shadow of the state; and there will be a threat to the economy when the citizen, as he faces the future, acts only upon the principles of statism, and looks to the Government for the leadership, authority and money upon which to predicate our future development.

True planning, in the American sense, will aim at getting back when the war ends to the truly liberal concepts of personal freedom, untrammeled by the well meant but dangerous philanthropies of statism.

Is this reaction—a yearning for the good old days. I think not. We recognize that if we are to survive in the post-war period we shall not do it by disputing progress or standing in the way of necessary change. But the things I have just mentioned are the minima of freedom—the indispensable guarantees without which we cannot live in any kind of security.

Granted those guarantees, the new horizons of the postwar summon us; the new frontiers—of science, of the mind, and of the human spirit—beckon.

Prosperity in new fields

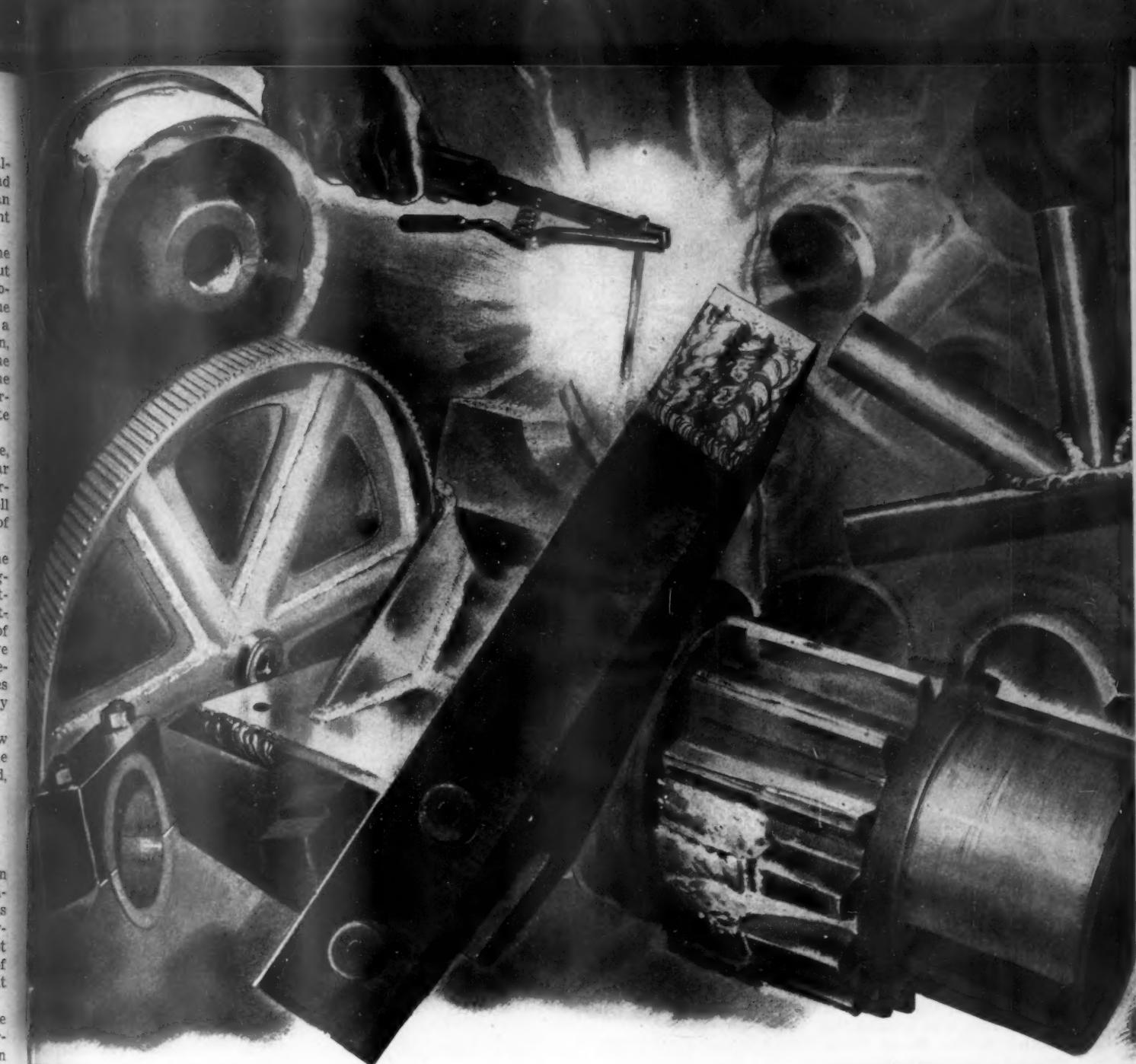
SURVEYING the postwar world, we can envisage a complex set of forces—of international and interracial pressures that tend to destroy, and of vast unifying influences as well, that exist not only in the innate pacific idealism of men of good will, but in the beneficent realities of trade, the great civilizer.

In this large outlook we can realize that we shall have tremendous opportunities for what we call prosperity in the realignment of trade lanes, provided we are really willing to trade—which is to exchange goods and services—and not just accumulate cash balances.

We can comprehend also the spectacle of a new world replacing the old in a physical sense with greater rapidity than ever before; because, whereas in the past available raw materials dictated possible changes in models and styles, today we are able to develop new materials and processes to serve whatever purposes we have in mind. We are moving, perhaps, from an economy of fabrication to one of synthesis.

Keeping pace with these changes, we can understand, and plan accordingly, that human values and social benefits, which can survive only in a sound economy, must from now on be an intentional and deliberate objective rather than a satisfactory by-product.

And the key word for it all is freedom—not this freedom, or that freedom; not several freedoms, as though liberty could be divided up into segments like a pie; but freedom in all its implications—which is the necessary climate for the development of men and of nations.



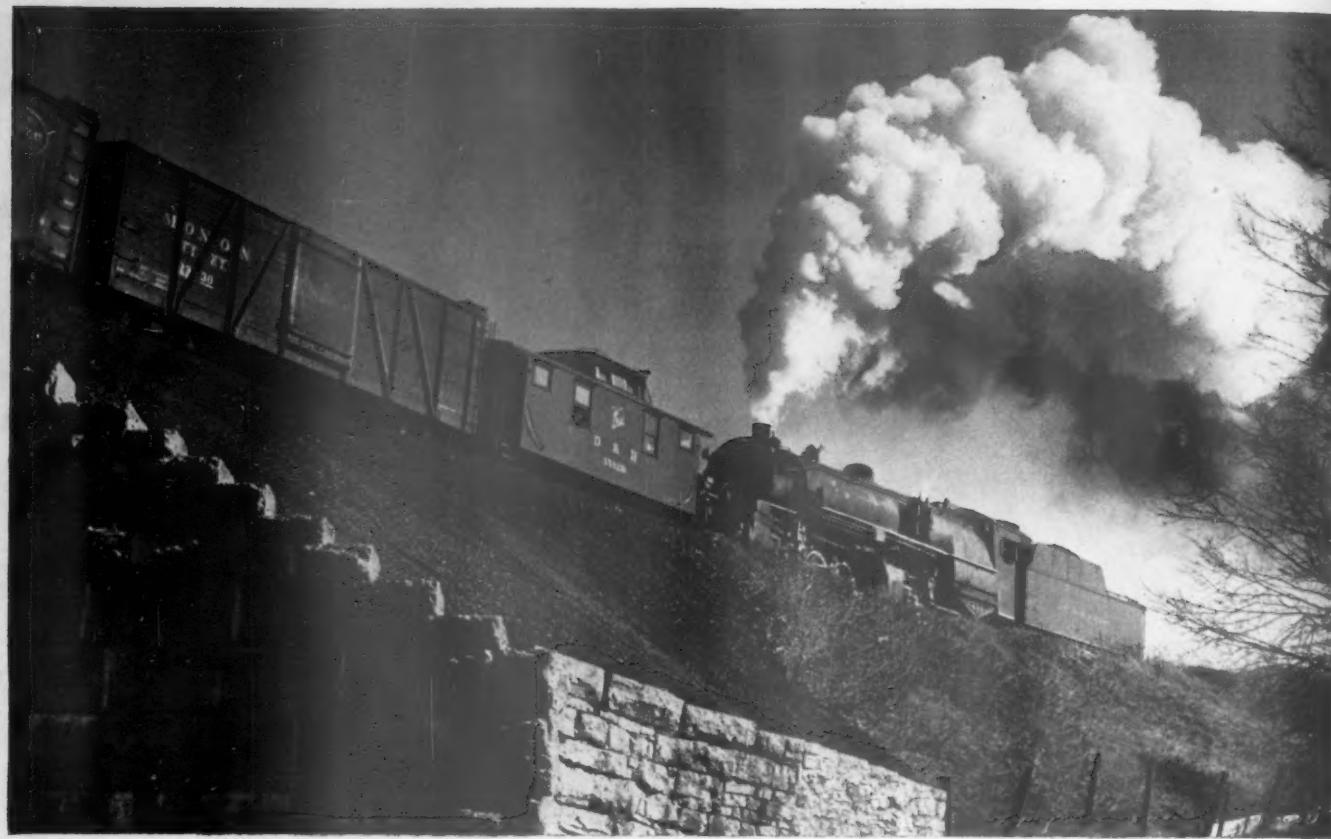
How many different kinds of Arc Welding are there?

Do you think of arc welding as merely a simple process of joining metals? If so, you're right — at least, *partly right*. But there are many problems involved in obtaining the desired physical properties in welding many different kinds of metals. And they are far from simple. Call them tricks of the trade if you like, for they come only with study and experience.

For a good many years, here at P&H, we've been developing these tricks. As one of the world's foremost plants to apply welding on a large scale to maintenance and repair, and to the fabrication of all-welded excavators, overhead cranes, hoists, etc., P&H also applies its intensive first-hand experience to the manufacture of both A.C.

and D.C. arc welders and welding electrodes. Through its complete welding service and unbiased judgement, P&H is widely assisting war-engaged industry. And this vast experience is available to help you increase your efficiency, now — and in the postwar period when welding will compete with welding.





BLACK STAR

Kangaroos in the Freight Rates

By A. J. RIBE

IS OUR freight rate structure unfair to the South? Is there a rate wall around the South? Is the South being drained of raw materials by a ruthless conspiracy? Is southern industry being strangled by lopsided rate making? Does southern industry favor the proposed legislative changes?

The popular opinion in the South seems to be that these questions should be answered in the affirmative. The belief is so general that southern senators and congressmen have introduced bills in Congress to bring about uniformity in rates to correct these supposed discriminations.

If these things are not true, then why does the average man think they are, and why do office-seekers and public servants make political capital out of them?

MR. RIBE is employed either as Traffic Manager or as Traffic Consultant by 65 shippers of raw materials, semifinished articles and manufactured goods—all of them in the South and none of them what is commonly called "Big Business." One of the best-known rate men in the South, he was employed from 1937 to 1939 as Chief Rate Adviser for the Southern Governors' Rate Conference in developing and filing the complaint in the Southern Governors' Rate Case and was the chief rate witness for the complainants in the hearing of that case.

THE popular impression that southern freight rates are too high has led to a demand for new laws. Here's how one southern business man feels about it

The false impressions concerning the southern freight rate situation spring from two sources. One is the misinformation which has been bandied about for some years by theorists inexperienced in production, manufacturing, marketing, or rate making. The other is the failure of the railroads to inform the public.

The charge of unfairness to the South comes from the belief that, on a given commodity between a northern point and a southern point, the northbound rate is higher. This simply is not true. Actually, the rates are the same in both directions, or, where there is a difference, the northbound rate is lower. These exceptions are numerous. They apply to most of the moving northbound traffic.

Generally speaking, the examples of discrimination which critics of our rate structure cite are comparisons of "live"

rates and "kangaroo" rates—sometimes called "paper" rates; in other words, rates on which commodities actually move compared with rates on which nothing moves except sporadic shipments, but which the carriers publish to take care of anything that might be offered for shipment.

It must be understood that the railroads are required to publish, file and post for public inspection, rates on every sort of article which might be offered for movement between any two of nearly 100,000 points—altogether about 200 trillion individual rates.

Consequently, in the maze of railroad freight tariffs there is a published rate on kangaroos from Kankakee to Kalama-zoo or Kokomo, or anywhere else. Also, in these same schedules there are rates on pig iron from Miami, bananas from Detroit, tobacco from Reno, grapefruit from Minneapolis, pineapples from St. Louis, and cotton from Spokane, to any place in the United States.

That there should be differences between the rates on which commerce actually moves and rates of the "kangaroo" variety is, therefore, inevitable and ordinarily innocuous.

E. L. Thornton, Traffic Manager of the



It has taken some doing to handle the war load thrust upon the railroads — more than twice as much freight and nearly four times as much passenger traffic as in ordinary times.

And, because of other war needs for materials, it has had to be done with very little additional equipment.

But with the good sportsmanship of travelers and the surpassing aid of shippers the job is being done.

Doing it, though, demands that the railroads use every piece of serviceable equipment or equipment which can be made serviceable. And

so they've got everything working now to do the job that must be done now.

But there's still a job ahead — first and foremost, a growing war job, and after that the work of making these railroads ready for the service of the America of the future.

That's why the railroads are not only working but are studying so as to keep ahead of their appointed tasks — to meet the nation's war needs now, and later to provide for peacetime America the finest transportation that experience, plus modern materials and science, can devise.



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ALL UNITED FOR VICTORY

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conservation
is
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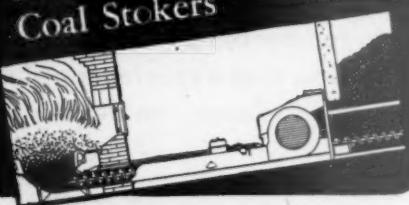
One of the greatest things any business man can do today, for his country, his employees and his stockholders, is to install Iron Fireman stokers under his boilers. Iron Fireman equipment is always a wise investment that earns large returns. Now, with fuel conservation a patriotic duty, it is more important than ever to get all the heat and power from coal, through scientific combustion. Equally important is the automatic regulation of steam output from the boiler—so there is always just enough—never too little or too much.

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Ask for a free Iron Fireman survey of your boiler room. You will get a report that shows what Iron Fireman can do for *YOU*—what it will save—how much more steam production you can get from your present boilers; what it will cost. From there your decision is easy, safe and sure. Just write or telephone Iron Fireman Manufacturing Company, 3211 West 106th Street, Cleveland 11, Ohio.

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OUTSTANDING PERFORMANCE OF IRON FIREMAN STOKERS is the result of the application of sound principles of combustion and engineering. Coal is fired under forced draft, with automatic regulation of air and coal to produce efficient combustion.

New Orleans Association of Commerce puts the point well:

"If the Audubon Park Zoo in New Orleans happens to have an extra baby elephant and wants to ship it to Bayou Goula, La., it may do so on a rate provided for the occasional and sporadic shipment. But if the zoo should decide to go into elephant raising as a business, it could consult the railroads, and, if found to be necessary, a line of rates on baby elephants from New Orleans would be put into effect."

In a magazine article, Governor Sam Jones of Louisiana compared the rates on shoes from Lake Charles, La., and Boston, Mass., to Chicago. The Governor might as well have compared the rates on kangaroos or baby elephants. Shoes are not made at Lake Charles. Shoes are made at New Orleans, La., Nashville, Tenn., and Buford, Ga., and the rates from these points to the North, including Chicago, are on a lower level than the rates from Boston. Proposed uniformity would reduce the "kangaroo" rates from Lake Charles, and increase the "live" rates from the actual southern points of shipment.

Southern ports have low rates

IN THE same article, Governor Jones discussed some other rates in an effort to show discrimination against the Port of New Orleans—and, again, he was in error. These are the export-import rates, and are very much "alive." The fact concerning them is that, to and from southern ports, including New Orleans, and points in the North anywhere comparable in distance with the Eastern Seaboard, the rates were purposely made lower than to and from the Eastern Seaboard to attract some of the traffic through southern ports.

The question might be asked, if these rates to which objection is made were "kangaroo" rates, on which little or no traffic moves, what harm would there be in reducing them? This question seems logical enough on the surface but overlooks the fact that a rate may be of the "kangaroo" variety in one direction but an actual going rate in the other. The practical effect of reducing the northbound "kangaroo" rate in such cases would be to reduce the southbound "live" rate. Governor Jones' shoe rates from Lake Charles are "kangaroo" rates, but the same rates in effect to Lake Charles are "live." Just how reducing his northern competitors' rates would help a prospective manufacturer of shoes at Lake Charles get started in business is impossible to see.

The South's rate structure, which has grown up to fit its needs, is marked by three characteristics, all of them favorable to the development of southern industry and agriculture.

First, there are the rates for raw materials between points within the South, which are lower than corresponding rates between points in the North. Some, as in the instances of pig iron and pulpwood, are as low as one-half the northbound rates.

Second, there are the rates on prod-

ucts actually moving from the South to the North made on, or in relation to, the lower graded scale of rates in effect in the East.

And finally, there are the rates on manufactured goods moving into the South from the North, and on agricultural products from the near West, made on or in relation to the higher graded southern scale of rates.

True, there are rate walls at the Ohio River, but, according to the way traffic moves, these walls operate against manufactured goods from the North, and dairy and other agricultural products from the near West. As long as the same goods and products are not produced in quantity in the South, the walls are not discriminatory and hurt no one.

Stoves in Fort Lauderdale

RECENTLY, a Florida witness testified before the Small Business Committee of Congress:

"That on a shipment or a carload of stoves from Fort Lauderdale to Pittsburgh, the transportation rate would be 30 per cent higher than it would be if the same carload of stoves was shipped from Pittsburgh to Fort Lauderdale"—from which the Committee concluded:

"Articles manufactured in the East could be shipped into the South and the West at a much lower rate than articles manufactured in the South and the West could be shipped (on a comparable mileage basis) into the East."

Both statements are inaccurate. The northbound rate is not 30 per cent higher than the southbound rate—but, whatever it is, it is a "kangaroo" rate, because no stoves are made at Fort Lauderdale.

Stoves have been treated by the ICC interterritorially in both directions. The southbound rates are on basis of the higher-graded southern scale. The northbound rates are on basis of the lower-graded eastern scale. These conflicting levels cannot be brought together without hurting the southern stove manufacturer, whether his market is in the North or South. Stoves are made in Cleveland, Tenn., and in Cleveland, Ohio. The rates per ton on coal stoves, carload, between these points are \$13.40 southbound and \$9.60 northbound. Similar differences exist on coal stoves, l.c.l., and on gas stoves, c.l. and l.c.l.

Another false impression is that the North is draining raw material from the South. Critics of our rate structure have said this so often that the public has accepted it as true. That claim was true 40 years ago, and, to a lesser extent, 20 years ago. It is not true now.

A recent study of 34 commodities, or groups of commodities, clearly recognizable as raw materials—such as cotton, hides, coke, pig iron—shows that the South, in a 12-year period ending with 1941, shifted from an exporter of such materials, with a net outbound balance of 1,000,000 tons, to an importer, with a net inbound balance of 1,377,000 tons.

True, the South ships lumber, coal,

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fruits, and vegetables to the North, but these are not "raw materials" in the sense in which the agitators of this subject use the term.

Southern coal moving northbound competes with northern coal. That the rates applied to the southern coal are on a lower level than those applied to northern coal, distance considered, is well known.

Does any southern interest wish to stop the South's shipments of fruits and vegetables? That is what they are raised for!

The tremendous increase in the use of raw materials in the South—some coming from the North and some from the West—has been accomplished under the present rate structure.

Agitation over paper rates

THE existence of innocuous differences in paper rates has become the foundation of a vast, prolonged and almost unchallenged agitation of the idea that the South is a victim of a planned and oppressive rate policy in favor of the North. As a result, more than a dozen bills, proposing to do away with the alleged discrimination are now pending in Congress.

No one would claim that this maligned southern freight rate structure is perfect in all its details—but neither can any of its vociferous critics in or out of Congress suggest a formula for its "unification" with rates in other sections which will not actually crucify the South!

"Rate uniformity" sounds nice but what does it mean? One of its advocates, Henry B. Kline, associate economist for the TVA, thinks it would do away with much "wasteful transportation required because so much of present industry is located with no eye to the conservation of human and physical energies."

The North has had such a head start on the South that any new industry in the South, unless it is a branch of a national industry already well established, must "crawl" in its home state before it can "walk" to adjoining states, and "walk" to adjoining states before it can "run" to distant markets. Until the South has its industry "walking" and "running" the present rate structure is best suited for its needs.

Rates cannot be unified with those in the North without hurting the South. If limited to manufactures and agricultural products, as some critics advocate, and if the unification is accomplished by a leveling process, rates on moving traffic from the South to the North will increase, and those on traffic from the North and Near West will be reduced.

If, on the other hand, to prevent such sweeping reductions in the southbound rates, the northern scale is regraded, that regraded scale, when turned around and applied in the opposite direction, would result in sweeping increases in the northbound rates on moving traffic from South to the North.

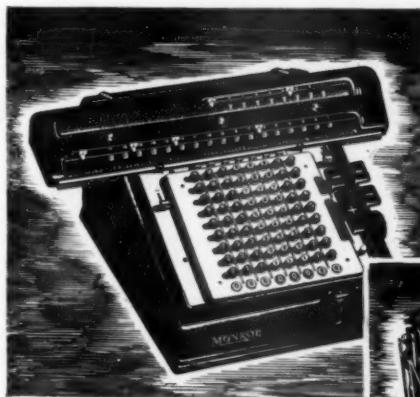
A decree establishing uniform rate levels where there is no uniformity of conditions will not eliminate discrimi-

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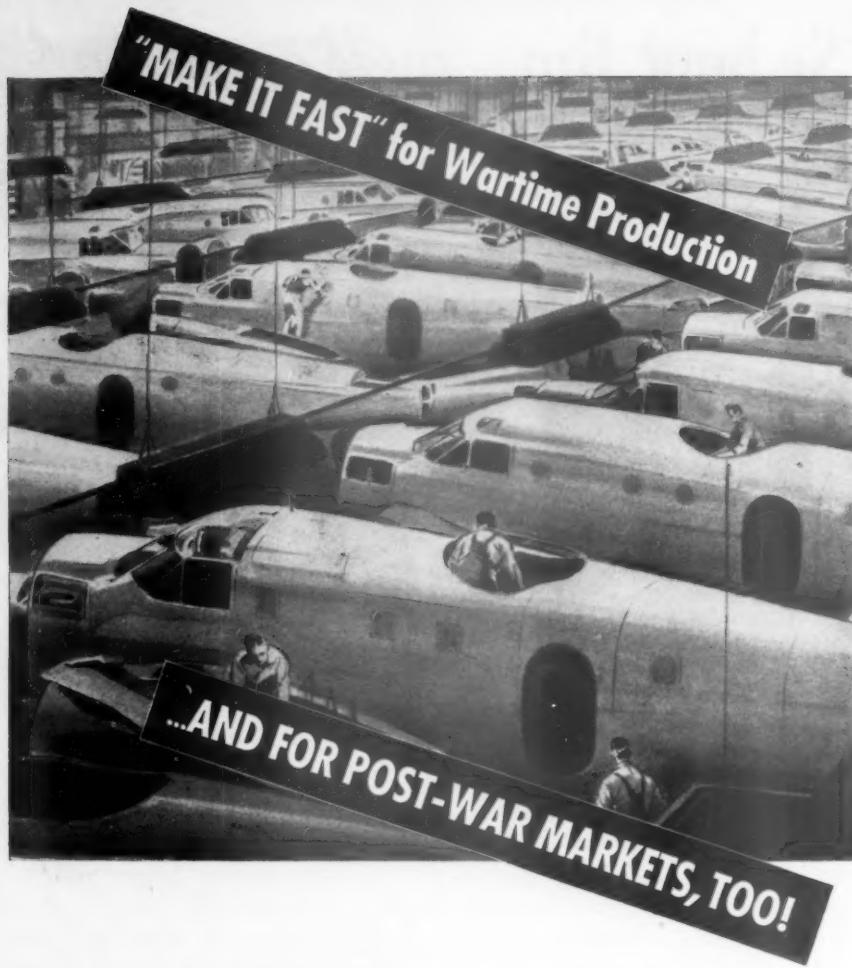
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Here at Acme our staff of consulting engineers can help you with your production problems, both today and after the war. You may need new dies, patterns, heat-treated aluminum castings. You may need special tools, which Acme can design and build. Recommendations of Acme engineers are available upon request.

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TOOLS—TOOL DESIGNING—PRODUCTION PROCESSING



nation. The ICC has not been able to do that entirely in more than a half century of conscientious effort. How, then, does the blindest believer in the efficacy of "passing a law" suppose it can be accomplished at a stroke by an act of Congress? We might as well pass a law requiring realtors to sell all business property at the same price per front foot regardless of locations!

The agitation, and the legislative proposals which have grown from it, are usually heralded as the result of a coalition of the South and West seeking relief from oppression on the part of the North.

Most advocates of these changes are honest in their beliefs, I am sure, but too often their approach is political, has no regard to its broad effects; or is one of theory, unembarrassed by experience, and unrestrained by responsibility for results.

Present rates work well

THE business men, the traffic managers, the men who produce the goods, direct its movement, and pay the bills, emphatically do not want Congress to fix rate levels, no matter for whose supposed benefit it is done.

Industry throughout the country, including the South, has been built up on such rates as will market the product, and this agitation for legislative action did not originate with the shippers. They are beginning to see the evils that will result from such a policy, and they may well anticipate the damage to southern industry that will follow destruction of the rate fabric on which our southern industry has been developed.

The National Industrial Traffic League, the most broadly representative organization of experienced shippers in the United States, has expressed its opposition to what it aptly terms the "political" or "pressure" method of rate making. Like action has been taken by commercial and shipping organizations all over the country, without regard to section.

Of course, there are individual instances of rate discriminations and there always will be, not only in the South, but throughout the entire country. These are but the growing pains of an expanding industrial and agricultural economy in free competition, and should be handled individually, as in the past. This, at least, constitutes a far healthier situation than if discriminations in rates and disjoining of industrial progress were the result of the cold, clammy hand of a rigid rate system.

Shippers do not always like the decisions of the ICC. They are rarely entirely satisfied with all their rates. They sometimes feel that somewhere someone has an advantage. But they do believe in the time-tested machinery for dealing with these things, for continually adjusting rates to meet changing conditions and for carrying out, as well as possible, the broad and basic prescription of the law: that the rates shall be reasonable, and shall neither prefer nor discriminate as among shippers, classes of commerce, commodities or localities.

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"Water Buffalos"
These **"Water Buffalos"**
gave Tojo the surprise of his life!

At Tarawa, Makin and New Britain, they helped the Marines make history! On they came . . . open sea, pounding surf, coral reefs, treacherous beaches, swamps, jungle, rivers, rugged terrain—the "Water Buffalos" took them all in stride. In fast-mounting numbers, "Water Buffalos" are carrying troops and cargoes for the Marines, the Army and the Navy in every battle zone.

FMC Equipment is Fighting on the Home Front, Too!

The same designing, engineering and manufacturing skill that created the LVT "Water Buffalo," is also serving the nation's great food industry. In every step of food production, agriculture, processing and packing, FMC equipment—some of it shown at right—is playing a vital part.

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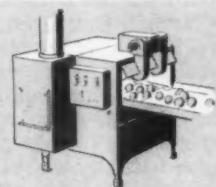
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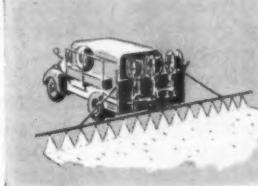
Flavoseal Protective Process . . . a wax film to keep produce fresh longer, reduce spoilage.



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FMC Camouflage Machines . . . converted from FMC's crop spraying equipment (Bean).

Gardens that Raise Morale

By FRED G. HEUCHLING

A COMPANY fostering victory gardens receives rich dividends in increased employee satisfaction

ONE way a company can help make workers happier and more contented, thus reducing absenteeism and turnover, is to encourage victory gardening. The food produced will come in handy this year, too.

If the company owns no land of its own available for employee gardens, it will pay it to rent a nearby plot for the purpose. The cost will be small compared with the satisfaction it will bring the force. But even without garden space in or near the plant grounds, there is still plenty of opportunity to promote victory gardening among employees.

Some of the most helpful work in victory gardens is done before the garden season actually starts. An enthusiastic employee, acting as a self-starter, should arouse gardening interest, serve as a clearing house for information, distribute literature, and spread the gospel of victory gardens among all the staff. A few "pep" meetings, with possible movies or slides on gardening, and articles and pictures in the house organ are good forerunners.

An expert is helpful

A FIRM with a large number of employees may well employ a specialist for full or part time who knows vegetable growing. Many good victory garden pamphlets are available. One of these that fits the local conditions might be supplied to each employee.

A contest helps, too, if planned to avoid discouraging the awkward chap while boosting the skilled gardener. A demonstration plot helps tremendously.

In the spring, a demonstration garden can be set up indoors at some place where all the employees will see it as at the entrance to the lunchroom.

The bumper crops that novice gardeners grow in their first season are often a surprise to everyone.

A recent inquiry among large corporations indicates that many had employee gardens last year and provided space at the plant or at nearby points. A few rented convenient farms with great success. The Whiting Corporation, of Harvey, Illinois, for example, rented a 60-acre farm, using only half of it the first



Sample gardens such as this in the lobby of the Peoples Gas Light and Coke Company in Chicago inspire more gardens

year, and located 112 families, each on a plot 25 x 75 feet. Great enthusiasm resulted. Family parties and picnics grew out of the contacts at the garden project. This year a much larger project will be launched.

Goodyear Tire & Rubber Company, of Akron, stimulated employees at all their plants to engage in garden activities. In some plants such as in their Gadsden, Alabama, branch every family represented on the pay roll planted a victory garden.

The Firestone Tire & Rubber Company "sold" their entire organization on gardening. They provided soil-testing facilities, recommended a program of fertilizing, and in other ways encouraged their people to make a productive garden at home. For those who had no adaptable space the company provided 250 acres at Akron where employees could have a plot as large as 3,500 square feet.

The railroads have long been active in promoting gardening along their lines. With the revival of victory gardening, they have allotted space to employees and have given aid through their agricultural agents and advisers. The Milwaukee Road distributed thousands of excellent victory garden booklets and organized victory garden clubs among employees.

The Santa Fe went all out with a \$2,000 prize contest, personally inspired by President E. J. Engel. Most employees had gardens at home, and the company estimates that thousands participated in the food production program. The Burlington plowed employee-group gardens, and had no less than 1,000 employees on company land.

In Chicago's stockyards, where little space is available, Thomas E. Wilson provided a 200 x 200 foot demonstration garden adjoining the offices, with an expert horticulturist in charge. Sears, Roebuck carried on a similar project at their Chicago plant, which won prizes at Chicago's large harvest festival last Fall.

The story could be repeated over and over as to every progressive far-sighted organization, whether in the north or south, in the Atlantic or Pacific Coast regions.

The answer is that victory gardening pays. The man who gets comfortably tired at weeding over Sunday won't get down to work with a hangover on Monday. The fellow with a thrifty garden under way won't readily quit his job and leave the crop for someone else. Closer friendships and associations—not only among employees but their families as well—create a wholesome spirit that makes for better all-around labor conditions.

Tough Baby!



-this tiny 20 mm. explosive shell that American Industry makes by the millions

No larger than a 5¢ pack of candy mints, these explosive midgets do a vital fighting job.

Fired from anti-aircraft cannon they have sent many an Axis airman tumbling earthward.

During inspection time, in their manufacture, two seconds a shell are saved by the transparency of a special Texaco cutting oil. This means a tremendous total of man hours saved in a day or a week. Other Texaco lubricants have been used

to speed up cutting operations, to improve quality and cut down rejects and prevent lost machine time.

To serve industry in meeting such production problems, stocks of Texaco products are maintained at more than 2300 wholesale supply points convenient to all parts of the U.S.A. In addition, the service of Texaco engineering specialists is available to insure maximum efficiency in their use.

THE TEXAS COMPANY





GRAPH-A-MATIC
brings facts to life

WHO'S THIS WORKER with all *Your* answers?

Graph-A-Matic is an instrument of administrative control in business.

As an exclusive feature of the Kardex Method of Visible Control, this graphic system can be applied to any or all of the records you need in steering your business...and yield operating savings as high as 50%.

Maybe you're concerned about inventory reduction in view of possible coming events. Graph-A-Matic can show you in detail where to act first...and where next. Perhaps you need to obtain a greater utilization of your present labor force...to step up machine use through improved scheduling...to be ready at reconversion time with a post-war sales program. For all these, the Kardex signalling system can provide "Fact-Power"...a free flow of graphed facts to guide you in analyzing, planning, co-

ordinating with accuracy and speed.

WE INVITE YOU to inspect the methods of administrative control currently used by the management of 136 of the nation's foremost businesses. These methods are described and illustrated in the new 74-page brochure "Graph-A-Matic Management Control". Due to the nature of its contents and the many months of careful preparation entailed, we can offer this brochure only to responsible executives.

A wire, letter or phone call to our nearest Branch Office will bring "Graph-A-Matic Management Control" to your desk. One of our Systems and Methods Technicians whose work it represents will gladly discuss with you the application of these methods to the needs of your business.

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SYSTEMS DIVISION
REMINGTON RAND
BUFFALO 3, NEW YORK

Holland is Already Rebuilding

(Continued from page 30)

91 per cent. These products and many others will once more be the contributions of the Indies to world commerce. The production of rubber can be resumed as soon as tools can be shipped into the producing regions. The same is true of copra, a native product prepared from coconuts.

The Indies can also resume on short notice the export of quinine, fibers and palm oil. Tin ore can be produced in the Indies as soon as dredges are brought in.

To restore the productivity of most large agricultural estates and of the oil fields, however, will require more time. Most of the machinery, installations, railway material, and other equipment of these industries has been destroyed or hauled away to Japan.

The experience of the Indies as an economical producer of such products as oil, sugar, rubber, coffee, tea, tobacco, and many other tropical products, fully justifies the making of such investments. Large sums of money will have to be spent in the United States and elsewhere for new equipment.

Rich countries are now poor

WE must, however, face the fact that the financing of such large-scale rebuilding in both the Indies and the Netherlands will require a great deal of frank discussion with our friends in America and elsewhere. Holland and the Indies are known as "rich" countries which was true enough in the past. But in the immediate future this will no longer be the case.

It is true that we had great industrial and agricultural resources, skilled workers, enterprising managers and excellent business relations, and we hope something will be left of these assets.

But we would be poor business men if we did not realize that our existing assets overseas—in gold and foreign investments—may not carry us very far in the tremendous task of reconstructing our country.

Our financial resources abroad will enable us to begin paying our way for the wide variety of things we shall have to import, as we have done in the past. But this will be true only in the beginning.

We cannot yet foresee to what extent we shall be able to reestablish our economy without foreign financial help. This much is certain: It is essential that the reconstruction of industry and agriculture in both the European and Asiatic parts of the Kingdom go ahead as fast as possible.

With the cooperation of our Allies we are confident we can rapidly regain an economic position equivalent to the one we had before the war. In so doing, we shall be contributing to world prosperity.



1941

Nothing changed but the paint

EVERYTHING changed but the paint



1943

LONG before Pearl Harbor your government called International Diesels to the nation's defense. Regulation olive-drab replaced the familiar red, and the big tractors of industry went to war. *Almost nothing was changed but the paint.*

These peacetime crawlers are writing war history in stirring action. They're pulling big guns, handling bombs for the Air Forces, smoothing shell-torn landing fields, clearing jungles, building roads. Tens of thousands of such International Tractors are valiantly supporting the Marines, the Navy, and the Army. Night and day we're building more. They're tops on every fighting front.

But that's not enough for American resourcefulness under the spur of war.

In 1943 a new "prime mover" rolled from the

International assembly lines—a tractor in which *EVERYTHING was changed but the paint!*

Here's a revelation in crawler power, maneuverability and fighting quality . . . a high-speed performer under heavy load . . . a go-getter whose rugged construction and ease of handling will carry far beyond the Victory.

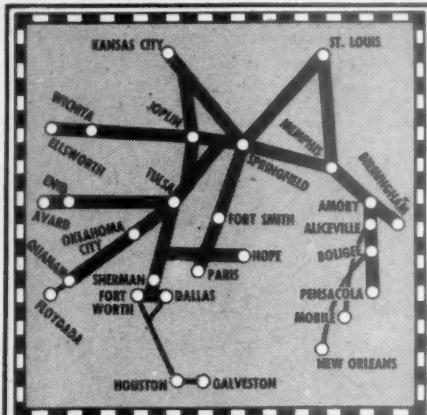
Victory is its one job, but there'll be a world to rebuild later. Then we'll build the International Diesel Crawlers you need. And you'll know why Harvester men are saying today: "We've got a lot of things packed into this big baby that we'll use when the war is over!"

INTERNATIONAL HARVESTER COMPANY
180 North Michigan Avenue Chicago 1, Illinois

INTERNATIONAL
HARVESTER

BUY BONDS...BUY MORE BONDS

FRISCO



**5,000
MILES**

**IN THE HEART OF
THE NATION**

**CONNECTING LINK
BORDER-TO-BORDER
COAST-TO-COAST**



A Great Railroad

Robots Write the Checks

GUY F. ALLEN "signs" more checks for more money than any other person in the world. In 1942, his signature, as the Treasury's Chief Disbursing Officer, appeared on about 65,000,000 checks for a total of \$9,225,000,000.

To print that many checks takes 6,500 pounds of ink and 112 tons of paper.

In all, the federal Government spends ten times as much money as Mr. Allen disburses but no other individual has his signature on anywhere near as many checks as he has. The Army, Navy and Post Office issue their own checks but through different disbursing offices.

Machines sign the checks

IF MR. ALLEN had to sign all his checks by hand, he'd soon fall behind in his work. At the rate of five seconds per signature (a fast clip) he would need 31 years to sign his office's output of checks for a year. But he has machines which do the work for him.

Mr. Allen organized the Treasury's Division of Disbursement 20 years ago, has been its chief ever since, and is largely responsible for the mechanization which makes it possible for 2,200 employees to do a job that, by hand, would probably take 220,000.

There is more to the work of issuing a government check than merely filling it in and signing it. Let's see, for instance, how George Spelvin, employee of the Interior Department, gets his semi-monthly check of \$133.33 (less deductions for income tax, bonds, retirement).

The head of his department sends George's name—along with those of the other employees—to the pay roll clerk of the bureau.

When the pay roll process is completed, George Spelvin's name, address and amount due him, together with much other data, are set up on an addressograph plate. Then the plate is fed into a check-printing machine (one of six similar ones in the world—the others are also in the Division of Disbursement).

With the addressograph plate as its guide, the machine makes out George Spelvin's check on the check form, dates and numbers it, fills in the amount, makes two copies of the check for the Treasury files, and two copies of a record showing where George Spelvin works, his annual salary, the title of his job, his base pay for the pay period, his overtime, his deductions, and the amount of the check.

Each of these machines operates at the rate of 20,000 checks a day.

It should be explained that George Spelvin's check doesn't go through this exact process unless it is one of the "repetitive checks," which don't vary from pay day to pay day, and unless the addressograph plate has been made up some time ahead.

Checks which do vary from time to time are typewritten or printed on smaller machines that can be more quickly adjusted to changes. But these checks are all machine-signed.

However, it is substantially true to say that the bulk of the 65,000,000 checks in the Division of Disbursement are machine-made. So much so, that every time Congress changes a tax law, or decrees general overtime, or alters the base rate of salary for government employees, the Division has to go through something very like retooling.

George Spelvin's check is now ready for the signature of Guy F. Allen, which makes it cashable. A "master signature," made by Mr. Allen in 1935, has been used ever since.

It is reproduced on dies for the check-signing machines in the main office and his 20 branch disbursing offices. Each die is mounted on a meter block, containing two dials and controlled by two keys. One dial can be set to the exact number of checks that are to be printed on any one run. The other dial records the total number printed. The two keys are kept by the head of the office in which the machine is placed. A third key, controlling the printing mechanism, is kept by the bonded operator of the machine. The machine cannot operate unless all three keys are used. At night the meter blocks go into a time-locked safe.

When running, each of these machines signs from 150 to 200 checks per minute, and though they are printed signatures nobody has successfully forged one of them.

George Spelvin's is one of 25,000,000 pay checks issued yearly by the Division of Disbursement. That's one of the simpler jobs, with the pay rolls and vouchers made up by other departments. But on 31,000,000 other checks the Division of Disbursement has to do all the work. This includes the calculation and the bookkeeping preliminary to issuing 8,000,000 Social Security checks, 8,000,000 AAA checks, 12,000,000 pension checks, 2,000,000 Railroad Retirement checks, 1,000,000 Government Retirement checks, and 9,000,000 miscellaneous checks.

Much hand work left

THE mechanization of accounting and check preparation in the Division of Disbursements reduces hand and head work to a minimum, but there is still plenty of it. For instance, it takes all the time of 100 employees to handle checks that are lost or returned because the payees have moved, married or died.

A large part of the 65,000,000 are card checks. Eventually all of them will be. These card checks are punched like tabulating cards so that they can be sorted and totalled by machine.

—BERTON BRALEY

Report No. 3 on
HONESTY ENGINEERING
—*a new idea in*
Personnel Relations



"it helps us keep employees by keeping them honest!"

THAT's typical of what employers report about Honesty Engineering. It keeps valued employees on your payroll by warding off temptation and trouble. One Illinois concern, for example, reported that the number discharged for dishonesty dropped more than 80% in the first year in which this new idea in employee relations was put to work.

Especially during this critical manpower shortage, it's a blow to any business, when trained and trusted employees are discovered to be dishonest. Fidelity insurance can repay your financial loss. But it cannot repair the damage to organization morale or make good your loss of ex-

perienced, hard-to-replace personnel. But now—whether you have 10 employees or 10,000—the Personnel-Protection Plan of the U. S. F. & G. will help you reduce such manpower losses, by helping stop employee dishonesty before it starts. This plan of Honesty Engineering helps reduce employee dishonesty in much the same way that safety engineering and fire prevention work have reduced accidents and cut fire losses for American business.

Based on long experience in the bonding field, the U. S. F. & G. Personnel-Protection Plan not only insures you against financial loss through employee dishonesty but: (1) discloses

undesirable personnel and prevents waste in training; (2) applies tested methods that help keep good employees from going wrong; (3) helps employers eliminate leaks, pitfalls and careless acts that often lead to employee dishonesty.

Your U.S.F.&G. agent will be glad to give you more information about how the Personnel-Protection Plan helps you keep your employees by keeping them honest. Consult him today.

*Branch Offices in 43 Cities—
Agents Everywhere*

U. S. F. & G.

UNITED STATES FIDELITY & GUARANTY CO.

affiliate:

FIDELITY & GUARANTY FIRE CORPORATION

HOME OFFICES: BALTIMORE, MD.

Consult your insurance agent or broker



as you would your doctor or lawyer



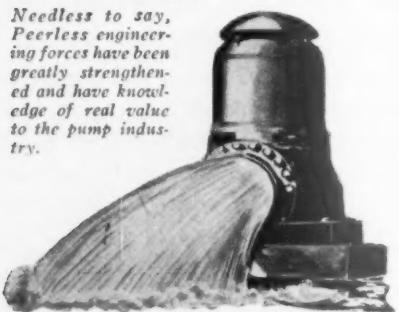
**THE VICIOUS
LAND & SEA FIGHTER
—the amphibious
WATER
BUFFALO**

Designed by
the Engineers of

PEERLESS PUMPS

America's newest fighting fortress has gone to War with a vengeance. It's the *Water Buffalo*. It swims through sea and surf, it crawls over beachheads, up over rocky terrain, trundles through mud and swamps—it goes everywhere, loaded with devastation. Peerless engineers designed this deadly attacker. Their "know how" of engineering hydraulics, their everyday knowledge of water problems and their detailed knowledge of pumps were largely responsible for Peerless engineers becoming the world's authority on amphibian tractor designs.

Needless to say,
Peerless engineering forces have been
greatly strengthened
and have knowledge of real value
to the pump industry.



PEERLESS PUMP DIVISION
Food Machinery Corporation

Factories:
301 W. Ave. 26, Los Angeles 31, Calif.,
Canton 6, Ohio,
San Jose 5 and Fresno 16, Calif.

**PEERLESS
PUMPS**

The Water Way to Victory

A Girl, an Idea—and America

(Continued from page 34)

all over Manhattan for pigments. I worked like a beaver. I finished my first bag, with a trifling verse painted on it.

"My weeks of window shopping gave me a healthy respect for the taste and quality-sense of the American business man. Mark Cross, on Fifth Avenue, was my ideal leather shop. There I took my first bag. I walked in, my heart in my mouth, a stranger, a foreigner, a nobody. They looked at my bag, took it and ordered more! You see what I mean? Where else would one dare do that?

"I'll never forget my first Christmas in this country. I stood in front of Mark Cross, the crowds of Christmas shoppers pushing me around a bit, and there before me was a whole window devoted exclusively to a display of my purses!

"Now I concentrated on my dress. I had noticed that the American women love color and that they have a remarkably good color sense. In a hand-knitted woolen dress I saw possibilities for something individual in beautiful color combinations. But I knew that wouldn't be enough. I was dreaming of a hand-tailored dress, combining good quality, excellent cut, simplicity and good color.

"I had no money. I had no reputation. I was a nobody. I had to produce marketable merchandise, right from the start. The challenge was all the greater. I dreamed up my dress on the streets, comparing, observing, verifying. I made designs, bought yarn, experimented with dyes, figured out how the dress could be put together. Finally I completed my first professional model.

"I managed to interest a Chicago shop and they asked me to send the dress on approval. I was worried sick. I must have wrapped and rewrapped the dress ten times. At the post office I fussed some more. It was out of my hands at last. I gave myself five days to hear from them. Five days passed and the sixth came. I was sure the dress was

lost. The seventh day passed. On the eighth day I got a letter from the shop. I held the envelope up to the light, afraid to open it. There was a letter inside, not a check, a letter I was sure telling me that they were returning the dress. I finally tore open the envelope. It was a reorder for the same model!

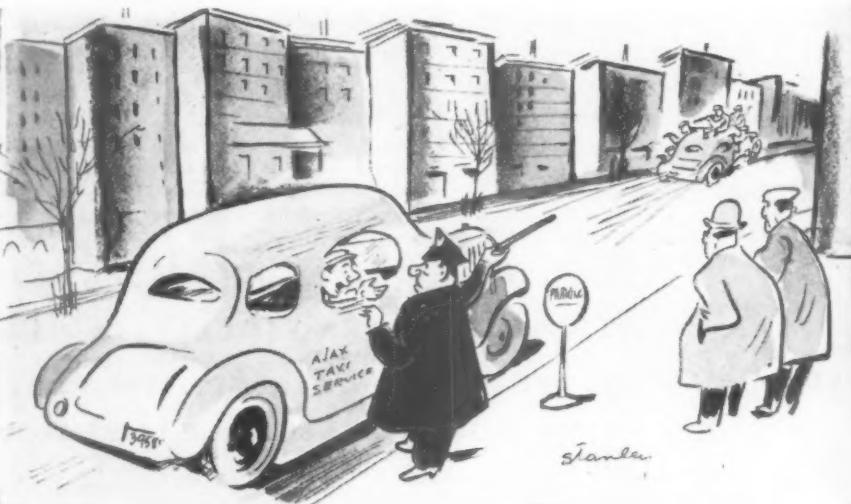
Help for hand knitting

"MY mind was made up. I bought more yarn. I completed sketches for a whole show. My dress was all hand-knitted and I needed help. I meant to start modestly with a few assistants. I put an advertisement in the paper and the next day 45 women climbed the five flights of stairs to our small furnished apartment. I was so carried away by their eagerness for work, and by the fact that so many people were interested, that I handed out work to each one of them.

"Now I had to find a shop, more help to do the assembling and finishing. I needed labels, and I didn't know how to get them. So I bought ribbon and painted my name on by hand. My labels are still hand painted. What I did in the next few weeks proved almost disastrous. When my first pay day came I had used up the profits I made on my purses and was short \$2,000 to meet my pay roll.

"I went to my husband. You should have seen his face when I told him I needed \$2,000 to meet my pay roll. He had thought that I was merely passing my time. The sum I needed was a big slice out of the little money we had left, but he gave it to me. From then on I was on my own.

"My models sold steadily. But I didn't know how to make out a bill and had no idea what a statement was or what purpose it served. Because my dress was all hand-knitted, the yarn hand-dyed and the whole all wool, my models had to retail for about \$120. I had to create my market shop by shop. I had no money



"All right, but you'll have to wait 'til I get three more passengers!"

for promotion or advertising. At times I felt pretty discouraged.

"Then one day William Bloom, the New York creator of women's sportswear, invited me to show a few of my models at one of his regular showings.

"There I met the women's wear buyers from all over the country. I learned their language. I found them grand people, with a knowledge that is tremendous. They were more than friendly.

"Well, I finally felt that I had finished my apprenticeship. I guess I am the chronic small business woman. I need to handle and manage everything myself. I moved to West 57th Street because rents in the desirable wholesale district on Seventh Avenue were too high."

Today Mr. and Mrs. Titus live in a lovely apartment which she has decorated and furnished with choice antiques. But she is almost never there. She concerns herself with new customers, priorities, visiting buyers. In her few hours of relaxation, she reads mystery stories or, better still, the funnies.

Meanwhile her husband has acquired another nucleus of bibliophile treasures. He has gone back into business, at home, buying and selling rare books and manuscripts. New canvases are beginning to appear again on his walls.

World wise and a little world weary, he admits little hope of retrieving after the war the library or art collection he left behind in France. Little may remain of his real estate. But he chuckles as he agrees with his practical and ambitious wife:

"It can happen only here."

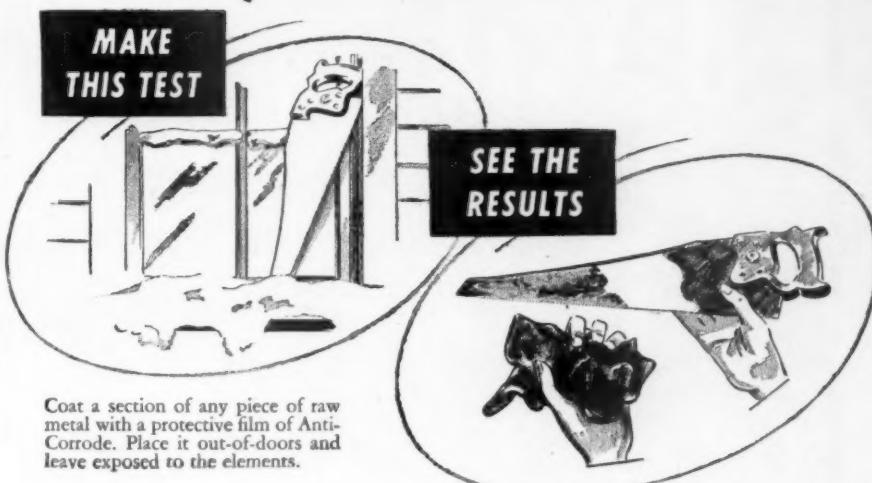


Lunch in Sight

Many of the 8,600,000 factory workers now engaged in war work throughout the country have to pass gate inspection to and from the job each day. To speed up the procedure, a new lightweight transparent lunch box has been devised.

Trade name of the box shown here is "Transpecto." It is made of Lumarith plastic, a product of Celanese Celluloid Corp., is 10 inches long by seven high, is equipped with a vacuum bottle holder and comes in a variety of colors. There are two types: one with transparent body and colored bottom and ends; and one with transparent ends and colored body and bottom.

How to prevent Corrosion



Coat a section of any piece of raw metal with a protective film of Anti-Corrode. Place it out-of-doors and leave exposed to the elements.

Rain, snow, changing temperature, dust and grime have eaten into and oxidized the unprotected metal. But note surface under Anti-Corrode film—bright and unharmed in its original state.

CITIES SERVICE ANTI-CORRODE is a safe rust and corrosion preventive that brings amazing results. It is a reliable safeguard against corrosion of metals in any form or state of finish—whether in storage or in transit. Anti-Corrode forms a tenacious, durable film that is impervious to moisture and the more common gases prevalent in the atmosphere. And since it contains lubricating material, it need not be removed in drawing operations. Anti-Corrode is made in several grades to meet specific requirements and severest tests. It is economical, easy to apply and can be removed with kerosene or any petroleum solvent.

This TEAM Will Save You Money and Materials

Recently, we announced the development of Cities Service Rust Remover, and responses to the demonstration offer far exceeded our expectations. Rust Remover, of course, removes rust. Anti-Corrode is designed to prevent rust and corrosion. Together, they will safeguard your equipment and war production—for the duration!



Take advantage of this FREE
ANTI-CORRODE demonstration offer
Mail this coupon today!

(Available only in Cities Service marketing territory EAST of the Rockies.)

CITIES SERVICE OIL COMPANY
NEW YORK - CHICAGO
ARKANSAS FUEL OIL COMPANY
IN THE SOUTH
SHREVEPORT, LA.

Cities Service Oil Company
Room 138
Sixty Wall Tower, New York 5, New York
Gentlemen: I would like to test Anti-Corrode on my own equipment FREE OF CHARGE. Please send me the details.

Name _____

Company _____

Address _____

City _____ State _____

HEAT CLINIC IN ACTION!



... THESE MEN ARE DECIDING HOW MUCH - FROM HOW LITTLE

BESIDES making your home comfortable in cold weather, HEAT has a lot of important other uses. Industry needs a lot of it in the form of steam or for the manufacture and processing of many kinds of products. The military services distill sea water for drinking, cooking and medical purposes, disinfect clothing, sterilize, cook, prepare baths—build flight strips and airports by means of specially designed Cleaver-Brooks heating machines.

Cleaver-Brooks Company concentrates on the design and building of efficient heat generating and utilizing machines, for industry—for construction of highways and airports—as portable equipment for the armed services.

The engineers shown above are carrying on exacting tests to see how much usable heat they can squeeze from the least amount of fuel-oil—what's known in technical language as "efficiency". The machine being tested happens to be a steam generator, but all types of Cleaver-Brooks "heat machines" are subjected to the same exhaustive analyses—first in the laboratory and then in the field.

Tomorrow, when Cleaver-Brooks engineering competence and manufacturing skill can turn again to the needs of peace, you can expect products from Cleaver-Brooks that may prove to be amazing developments in efficient machines for industry—for engineering construction—for the home.

Cleaver-Brooks

COMPANY
MILWAUKEE 9.

WISCONSIN



★ CLEAVER-BROOKS PRODUCTS INCLUDE: ★



Steam Generators



Food Processing Equipment



Tank Car Heaters



Oil & Asphalt Heaters



Special Military Equipment

Portrait of a Man with a Mission

(Continued from page 40)

parentage. This is a rarity in nature but commonplace in Washington. There was a desperate need of manpower at the beginning of the war and the racial barrier against competent Negroes was attacked. Mrs. Roosevelt and her warm-hearted associates were then demonstrating the desirability of social equality at lunches and dinners. The Negro had been swinging away from the New Deal and back toward his original haven in the Republican party. Practical politicians sought to check this trend.

A delicate problem

THERE are other reasons, of course. Perhaps the fundamental reason was the widespread acknowledgement that the racial issue exists and has in it the possibilities of tremendous trouble. Many do not agree as to cures. Many fail to comprehend its extreme delicacy. The FEPC may have been conceived as a magnificent gesture. The members are persons of consequence in industrial and labor circles. They are:

Samuel Zemurray, president of the United Fruit Company; Miss Sara Southall, supervisor of employment for the International Harvester Company; Boris Shishkin, economist of the A F of L; John Brophy, director of Industrial Union Councils for the CIO; P. B. Young, editor and publisher of the Norfolk *Journal and Guide*; Milton P. Webster, International Vice President of the Brotherhood of Sleeping Car Porters, and Chairman Ross.

Most of the FEPC's 100 or more employees are colored. Chairman Ross really does not know. He is not discriminating. The FEPC has what seems to be a working arrangement with the United States Employment Service. The USES aids and supports the FEPC in antagonism to racial antagonisms.

"The FEPC has received a report from the USES," a letter to a Los Angeles company runs, "that you have submitted to it a discriminatory request for workers—"

So far as has been shown, however, neither the USES nor the FEPC, nor that stalwart worker in the vineyard, Malcolm Ross, has demanded that any union show cause why it should not cease to bar the way to employment or upgrading to competent Negroes. That seems to be rather a pity because it has been the opposition from the unions which has made much of the trouble for which the FEPC has chidden the employers.

Mr. Ross once reported that the relations between the worker and the employer are too complicated for Government to manage.

"The most that the Government can do is to bring the two together."

That was years before the FEPC was ever thought of.

Why We Need Our Own Ships

By FRANK J. TAYLOR

President, American Merchant
Marine Institute

THREE is an old story about the veteran seaman who was so sick of the sea that he placed an oar on his shoulder and started walking inland determined not to stop until he reached a place where the people knew so little about maritime matters that they would ask: "Stranger, what is that thing you're carrying?"

The old salt with his oar must still be traveling.

Surely this global war has made our nation more ship-conscious than at any time since its founding. Always a maritime nation, America and its 48 states are really going to sea today. There is scarcely a community that has not contributed either men, materials, manufactured equipment or the ships themselves to our fleet of merchant vessels.

It is possible that, when the war ends, this country may have close to 50,000,000 tons—or about 5,000 merchant ships. This is almost five times the size of our pre-Pearl Harbor merchant fleet. What to do with all these ships after the war is not just a problem for shipping men and government agencies to solve. It should command the attention of business men, manufacturers, farmers and the public.

Somewhat the same problem faced the nation after the last war. Then we badly muffed our opportunity through lack of a sound national ship policy. This time government and private industry agree that those mistakes should not be repeated.

Private enterprise in the form of the United States Chamber of Commerce, maritime associations and the American Merchant Marine Institute, the latter composed of 62 American-flag steamship companies, have recently announced programs for post-war ship-



NESMITH FOR TEXAS CO.

**WHAT OF the \$10,000,000,000 worth of cargo
vessels we are now building? Can we afford to let
these ships rust in idleness when peace comes?**

ping. These plans, practically identical, are based on the principles of the Merchant Marine Act of 1936 which, in its preamble, states that it should be the policy of the nation to develop a merchant marine, modern, competitive, privately owned and operated, and capable of carrying a substantial portion of American water-borne commerce.

Government, through such spokesmen as Rear Admiral E. S. Land, chairman of the Maritime Commission, and Rear Admiral H. L. Vickery, vice chairman of the Commission, has come out strongly in favor of following this mandate.

The question of what to do with 5,000 ships boils down to one answer:

"Use them to the best advantage of the nation."

To put this into practice, the United States Chamber of Commerce, maritime associations and the American Merchant Marine Institute have asked for the ultimate transfer to private ownership and operation of all government-owned merchant ships. They believe that this should be done even before the end of hostilities, if the transfer does not interfere with the war effort.

New routes and services should be undertaken with American vessels engaging in indirect shipping. Routes formerly served by Axis nations which are important to American defense and security should be serviced by American-flag vessels.

These private groups deal only in basic principles because they wisely

sense that, in these days of rapidly changing world events, detailed plans would be rash.

But no matter what program is adopted, it is important that the public should understand why an American merchant marine is essential to the well-being of everyone in the country.

Important in war and peace

ONE does not have to look far for evidence of the merchant marine's importance to national defense and as an auxiliary to our armed forces. Every day demonstrates that. The movements of our armies and those of our Allies depend solely on the supporting strength provided by cargo ships.

After the war, our Navy will doubtless be maintained in strength far beyond pre-war status. The Navy, therefore, has a great stake in a large merchant marine.

At present these cargo ships which have contributed so much toward victory can be regarded as war supplies. They are being built for the war. But, unlike most other war supplies, ships can contribute much to the economic security of the country in peacetime.

The United States, as the greatest industrial and producing nation, must have foreign markets to absorb its surplus products. Granted that normally we export only about ten per cent of all the movable goods we produce, that ten per cent can easily mean the difference between depression and prosperity.

Even an individual export commodity can be of tremendous importance to millions of people. For instance, cotton exports often account for half the

United States production. If the foreign market were to disappear it might possibly cripple the entire South, seriously affecting railroads, banks, shippers and many other businesses and individuals dependent on this commodity for a living. The consequent loss of purchasing power in the South would have repercussions in every other section. What is true of cotton in the South is true in a lesser degree of many other commodities such as wheat, corn, automobiles, petroleum products, tobacco, machinery, chemicals and manufactured goods in various parts of the country.

Despite all the things that grow and can be produced in this country, the United States must import many commodities which do not exist here or which can only be produced at extremely high costs at the present time. Rationing and shortages have demonstrated to millions that ships are needed to provide us with rubber, silk, coffee, sugar, tin, tea, bananas, spices and cocoa.

But, what does the average business man or taxpayer in a community a thousand miles from either ocean care whose ships are used for this service?

Ignoring the important fact that the American marine industry—employing hundreds of thousands in shipbuilding, operating, repairing, maintenance, provisioning and stevedoring—is in itself a huge and constant consumer of American goods and services, an American merchant marine has still more direct benefits for our citizens.

Without an American merchant

marine our foreign trade would depend completely on the service and treatment ships of other countries care to give it.

To illustrate, consider a merchant in Buenos Aires who wants to place a large order for cotton goods or steel rails. He obtains quotations in Great Britain and the United States. It is only reasonable to expect that British steamship companies are going to give the best rates and service to British manufacturers instead of to American. But if the American business man has an American steamship line to give him a fair show on the rates and service, he may get the business.

Direct, speedy shipping

BY ITS very presence an American merchant marine can prevent discrimination against United States shippers.

More important, however, is the quality and continuity of service that an American merchant marine provides. American shippers, to compete successfully, require direct, speedy and reliable services to their markets overseas. American lines increase the number of vessels and sailings available to shippers. Before World War I, when the United States had only a few ships in foreign trade, American foreign commerce was handicapped by indirect transshipment service, insufficient sailings, inferior vessels, lack of regularity, and the concentration of lines in a few United States ports.

In an outright emergency, the neces-

American goods today are arriving in foreign ports as war supplies. Tomorrow, we'll need markets abroad to absorb our peacetime products



INSURANCE ALMANAC



FEBRUARY

On February 11, 1735, Daniel Boone was born. Trained to the woods from boyhood, Boone became one of America's most energetic pioneers... played an especially important role in opening up Kentucky, then regarded as "the West", to settlement. As settlements developed

into villages and towns, the need for fire insurance became increasingly apparent and led to the organization of companies like Fire Association of Philadelphia—companies that "pioneered" today's low rates by making reduction of fire hazards their No. 1 objective from the start.

1944—FEBRUARY hath 29 days

"Leap Year—when the hunter becomes the hunted!"

ASTRONOMICAL CALCULATIONS

EASTERN STANDARD TIME

FEB.	LATITUDE +30°		LATITUDE +35°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	6:51	5:36	7:00	5:28
6	6:48	5:41	6:56	5:33
11	6:44	5:45	6:51	5:38
16	6:40	5:49	6:46	5:43
21	6:36	5:53	6:41	5:47
26	6:31	5:56	6:35	5:52

FEB.	LATITUDE +40°		LATITUDE +45°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	7:10	5:17	7:22	5:06
6	7:05	5:23	7:16	5:13
11	7:00	5:30	7:09	5:20
16	6:54	5:35	7:02	5:27
21	6:47	5:41	6:54	5:34
26	6:40	5:47	6:45	5:41

FEB.	LATITUDE +30°		LATITUDE +40°	
	MOON-RISE	MOON-SET	MOON-RISE	MOON-SET
1	11:53	12:19	11:40	12:30
3	1:15	2:17	12:55	2:35
5	2:48	4:06	2:24	4:29
7	4:30	5:42	4:08	6:05
9	6:15	7:04	6:00	7:21
11	8:01	8:14	7:54	8:23
13	9:46	9:18	9:48	9:18
15	11:35	10:24	11:47	10:14
17	12:32	11:41	12:48	11:23
19	2:32	1:18	2:55	12:54
21	4:21	3:20	4:55	3:57
23	6:18	5:39	6:35	5:54
25	7:49	7:56	7:54	7:53
27	9:09	10:46	9:03	10:15
29	10:30	...	10:14	...

To obtain local times of sunrise and sunset: for longitudes other than the standard time meridians (i.e., 75°, 90°, 105°, 120°, for Eastern, Central, Mountain, Pacific Standard Time), decrease time four minutes for each degree east of standard meridian, or increase time four minutes for each degree west of standard meridian.

- 1—Tu.— **D** First Quarter, 2:08 A.M., E.S.T. 1733, Eng. colonies settled Georgia.
- 2—W.— **C** Candlemas Day, 1928, Fall River fire started—estimated property loss, \$6,000,000.
- 3—Th.— **The Fire Association Group** rushed adjusters to Fall River... in line with the policy of settling all claims promptly...and, as a result, were able to mail settlement checks to property owners early.
- 4—Fr.— 1902, Chas. A. Lindbergh born. 1887, Interstate Commerce Commission established.
- 5—Sa.— 1631, Roger Williams, founder of Rhode Island, arrived in America.
- 6—Su.— 1777, France recognized U.S. independence—negotiations conducted by Franklin.
- 7—M.— 1904, start of Baltimore fire—estimates on property damage range up to 150 million dollars. Only 20% covered by insurance.
- 8—Tu.— Is your insurance coverage adequate? If you're not sure—and you can't be unless you've recently had your policies reviewed by an expert—call your Agent or Broker now.
- 9—W.— **M** Full Moon, 12:29 A.M., E.S.T. 1942, Normandie burned and capsized.
- 10—Th.— **P** 1939, death of Pope Pius XI. 1915, U.S. "strict accountability" note sent Germany.
- 11—Fr.— 1893, the Noronic, a White Star liner, vanished on maiden trip to New York.
- 12—Sa.— 1809, Lincoln born. 1851, gold discovered in New South Wales, Australia.
- 13—Su.— 1935, Hauptmann sentenced to die for murder of the Lindbergh baby.
- 14—M.— Valentine Day. 1933, epidemic of bank holidays began—in Michigan.
- 15—Tu.— 1898, battleship Maine sunk—probably by a submarine mine—in Havana harbor.
- 16—W.— 1935, first Italian troops left for Africa.
- 17—Th.— **L** Last Quarter, 2:42 A.M., E.S.T. 1943, \$500,000 fire, N. Kansas City.
- 18—Fr.— **C** 1930, Admiral Byrd left Antarctica for home.
- 19—Sa.— 1473, Copernicus, great Polish astronomer, born. 1878, phonograph patented.
- 20—Su.— 1938, British Foreign Secretary Eden resigned from the Chamberlain cabinet.
- 21—M.— 1928, Philadelphia National Insurance Co. incorporated. 1916, Verdun battle started.
- 22—Tu.— 1732, George Washington born. 1942, Gen. MacArthur transferred to Australia.
- 23—W.— **N** New Moon, 8:59 P.M., E.S.T. ASH WEDNESDAY.
- 24—Th.— 1868, bill to impeach President Johnson introduced.
- 25—Fr.— If you're planning to buy more property insurance, don't put it off. Call your Agent or Broker at once—rates are at an all-time low!
- 26—Sa.— 1918, hurricane swept N.Y.C. 1845, Wm. F. Cody (Buffalo Bill) born.
- 27—Su.— 1933, German Reichstag destroyed by fire—supposedly set by communists.
- 28—M.— 1943, great quantity of foodstuffs destroyed in \$3,000,000 Oakland, Calif. fire.
- 29—Tu.— 1704, Deerfield, Massachusetts, attacked by French-Indian troops.

OBSERVATION for February:

MORAL for February:

PROPERTY INSURANCE
Fire-Automobile-Marine

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA
SYMBOL OF SECURITY SINCE 1817

Far sighted manufacturers are selecting their post war Pacific Coast factory sites now



Low Cost

FACTORY SITES at the population center of the Pacific Coast

There is an ideal spot for your Pacific Coast factory in Santa Clara County, California, in the heart of the rich Pacific Coast Market... at the population center of the Pacific Coast... and only 25 miles from the docks of San Francisco Bay.

Sites are still available along transcontinental railroad lines and on main coastal highways. Land is inexpensive—amazingly so!

Santa Clara County is a young, vital manufacturing section, with a wealth of natural advantages and friendly, co-operative labor.

There is a spot for your Coast factory in Santa Clara County. Write today for "Post War Pacific Coast" which tells the factual story of Santa Clara County.

No cost or obligation.

DEPT. N

**SAN JOSE CHAMBER OF
COMMERCE**
SAN JOSE, CALIF.



**SANTA CLARA
COUNTY** *California*



The population
center of the
Pacific Coast

sity of maintaining our own merchant marine is thrown into sharp relief. In 1914-'15, European nations withdrew their ships from the Atlantic trade for service in the war. United States goods, ready for the export market, piled up on docks and in freight cars. When the national strike crippled Great Britain's shipping in 1926, American foreign trade again suffered.

But, in 1939-'40, when virtually all the maritime nations of Europe were involved in war and deserted the trade routes, our foreign commerce found that our American merchant marine, revived and growing under the Merchant Marine Act of 1936, was definitely a national asset.

Opponents of an American merchant marine frequently used to state that even in the event of war involving several major nations there would always be available sufficient tonnage owned by smaller countries to handle our foreign trade. Hitler in one sudden sweep practically removed "neutrality" from the dictionary.

There are some who believe that a large American merchant marine would harm our foreign trade. They have long

exaggerated the claim that revenue derived from shipping enables foreign countries to buy American goods. In normal times, such great maritime countries as Norway and Sweden sold more goods to the United States than they bought here.

But how much will it cost American taxpayers to maintain a merchant marine adequate for this country's national defense and commerce?

America is not unique in extending financial aid to its merchant marine. Practically every other maritime nation does.

The limited aid given our own shipping has long been overemphasized chiefly because of the vital relationship between the industry and foreign affairs. America's subsidized merchant marine is rather small and, before the war, represented only 13 per cent of the ocean-going tonnage under the American flag. The remaining portion operated with no government help.

Higher wages for seamen, larger crews, safer ships, better conditions aboard ships and other factors which contribute to the American standard of living, make operating costs of



Glass in a Coal Breaker

Five coal chutes of Carrara glass are now in use at the Locust Coal Company's breaker at Shenandoah, Pa. Although carrying an average daily load of 100 tons for more than a year and a half, the glass shows little sign of wear and no breakage.

Shown here is H. B. Weed (left) of Pittsburgh Plate Glass Co. displaying a section of the glass; and William H. Hohn, foreman of the breaker, displaying a section of the displaced worn-out chute. John Ruchinsky, assistant foreman, looks on.

ATLANTA'S

MIDTOWN AIRPORT

HEART of the HEART of the NEW SOUTH

By post-war Helicopter Taxi you'll be set down in the very center of the South's financial, commercial and industrial activities—at Midtown Airport, Atlanta.

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HOTEL

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OF WAR TIME TRAVEL
CAN BE LESSENED BY
MAKING HOTEL RESER-
VATIONS. WE CALL
YOUR ATTENTION TO
THIS BECAUSE 50
YEARS OF SERVING
OUR GUESTS HAS
TAUGHT US THAT OUR
GREATEST ASSET IS
GOOD WILL.

OTTO K. EITEL
Managing Director

CHICAGO

NATION'S BUSINESS for February, 1944

American ships higher than those of foreign vessels. To compensate for these "extras," the Maritime Commission administers the payment of differentials, determining what they shall be after a careful study of foreign operating costs in like trades.

In the same manner our shipyards are extended aid to offset costs of foreign shipyards which are able to build much cheaper because of lower wages.

It should be understood that a steamship company receives a differential only when the need is demonstrated to the satisfaction of the Maritime Commission. For instance, vessels operating in coastwise and intercoastal trades are not eligible as they have no foreign competitors.

Many ships without aid

NOT even all our merchant ships engaged in foreign trade receive operating differentials. Seventy per cent of the foreign trade fleet, in fact, operated without government aid.

American-flag steamship companies engaged in foreign trade prefer to get along whenever possible without government aid. While a differential in no way guarantees profits for an operator, it does oblige him to abide by many conditions placed on him by the Government. In a measure the Government comes into business. It audits his accounts and, if there are any profits, beyond ten per cent, it takes a share.

The differentials are really a tariff in reverse and are granted only to meet foreign competition. In July, 1941, when a good portion of the world's merchant tonnage was occupied with war duties, many American lines faced little competition. Voluntarily, they agreed to suspend differential operating contracts with the Government.

When operating differentials were suspended for the duration, only 12 companies operating 123 ships of 892,000 gross tons were receiving them. The annual total was about \$13,000,000.

While this sum is small in comparison to what some other nations contributed to the support of their merchant marine, it could have been smaller if more Americans had patronized their own ships. In 1938, American ships carried about 25 per cent of this nation's foreign trade.

No matter what an expanded merchant marine may cost, it will be small compared to the tremendous total needed for building a wartime merchant fleet.

In World War I, \$3,000,000,000 were spent because we lacked merchant ships. The 2,300 vessels that were turned out in that shipbuilding race were put to little use and rusted in idleness. When war struck us this time, we again had an inadequate merchant marine and we are now embarked on a \$10,000,000,000 ship-building effort.

In view of our experience in two wars, it would seem that the most sensible thing to do would be to spend a little money each year so that we would always have an adequate American merchant marine—for our national defense and to serve our commerce.

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AUTOMATIC
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Automatic Multiplication, first introduced among American calculators by Marchant, 20 years ago, was acclaimed the outstanding calculator achievement of its day.

In its present highly improved form, it brings the exceptional time savings mentioned below.

AUTOMATIC MULTIPLICATION
in the Marchant of today multiplies
 9358×3456 in $3\frac{1}{2}$ seconds... which
includes time for setting up amounts
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You merely enter the figures into key-boards as fast as you read them. The instant you enter the last figure the complete answer is before you . . . with dial proof of all factors!

Automatic Multiplication is one of 20 Points of Superiority by which Marchant brings speed, accuracy, and good nature to all calculator work.

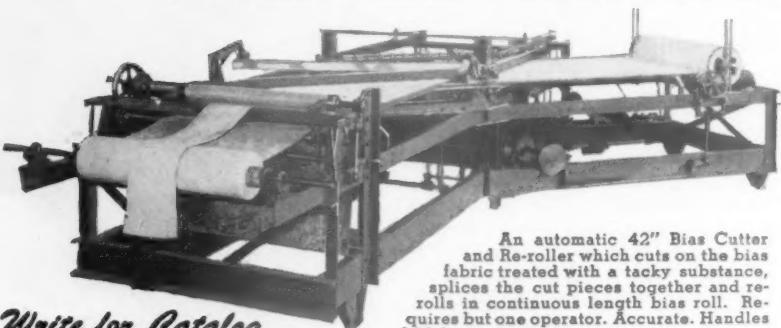


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SERVICE STATIONS GIVE SERVICE EVERYWHERE

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Illustrates all basic models

An automatic 42" Bias Cutter and Re-roller which cuts on the bias fabric treated with a tacky substance, splices the cut pieces together and re-rolls in continuous length bias roll. Requires but one operator. Accurate. Handles 100 feet per minute.

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Write in confidence giving sufficient information to warrant further negotiations. Address: Nation's Business, 1719 Graybar Building, New York 17, N. Y.

The Farmer Chooses Freedom

(Continued from page 26)

ers employed in war industries were deferred. Considering the huge quantities of food needed, farmers believed agriculture was just as essential an activity as was the production of war materials.

He would have been less disturbed by manpower policies had he been able to get farm machinery. The Government cut the production of such machinery to the very bone over the protests of Secretary of Agriculture Claude R. Wickard.

Added to the farmer's labor and machinery shortage problems have been scores of confusing price-control, marketing, transportation, and rationing orders and regulations.

He is aware that the price policy of OPA with regard to livestock feed has been at odds with the production program of WFA. That policy has done much to undermine the dairy industry and to bring on serious milk and butter shortages. That policy encouraged the wasteful feeding of millions of bushels of corn to produce heavy hogs at the expense of milk production. As a result, the nation is heading into a period of severe livestock feed shortages and compulsory livestock liquidation.

Price controls hurt markets

THE farmer is aware also that the administration has not always kept its promise to support farm prices. He represents the fact that price-control regulations have often disturbed normal marketing patterns by failing to consider local and regional peculiarities.

Conditions in agriculture vary greatly. The margins or net income vary between localities, between individuals, between farms, between labor and between seasons. Prices rise and fall materially to meet many of these variations. The big fallacy of the OPA price ceiling program, the farmer believes, is that it is blind to such variations. It assumes that all farmers and all conditions can be poured into a common mold and come out a uniform product merely by issuing a governmental directive.

The fact that farm production has been running at high levels can be largely attributed, the farmer says, to unusually favorable weather and agriculture's patriotic determination to do its part toward winning the war despite bureaucratic handicaps.

The farmer is looking beyond the war and he is doing some serious thinking. He does not want to return to the AAA crop curtailment programs. He is convinced that there need not be a return. The war has demonstrated that this country alone needs and can use the abundant production of all its farms.

The solution to his problem, as he sees it, is to be found in a joint effort of business, labor and agriculture to maintain full production and employment. He is fairly well convinced that government cannot do the job.

Clean Linen:



MORE than 800 firms do a \$200,000,000 business supplying towels and aprons

OLD-TIMERS in the linen supply business have varying recollections about where and by whom their industry was started but are in agreement that it was launched 50 years ago by a man with a pushcart and a few towels.

Today, it is a \$200,000,000 business made up of more than 800 firms.

In cities large and small throughout the country, the industry now supplies about 70 per cent of all the linens used by restaurants, hotels, hospitals, transportation lines, barber and beauty shops, doctors' and dentists' offices.

The concerns in the towel supply business range in size from a chain of 35 plants to small companies which have no facilities for doing their own laundry.

In peacetime, the business is highly competitive. Profit margins run from three to 15 per cent, average about eight.

National spokesman for the industry is the Linen Supply Association of America with 565 members representing 90 per cent of the industry's sales. Its headquarters are in Chicago but it maintains a Washington office. There are also 35 regional associations.

The linen supply business has had its full share of wartime problems, including shortages of soap, textiles, gasoline, tires and equipment, but so far has weathered the storm. Its manpower problem has not been as severe as the laundry industry's because of higher wages.

Washington has recognized the part the industry plays in helping maintain public health and has done everything possible to see that the suppliers continue to operate.

Wartime demand for linen supply service has greatly exceeded the supply, but the individual firms have inaugurated voluntary rationing systems.

Looking ahead to the postwar period, the industry sees a bright future with wide opportunity for expansion. The industry's leaders feel that, growing out of the war, there will be a vast new demand for cotton work uniforms, as well as an increased demand for clean aprons, towels, tablecloths and napkins.

—THEODORE R. SILLS

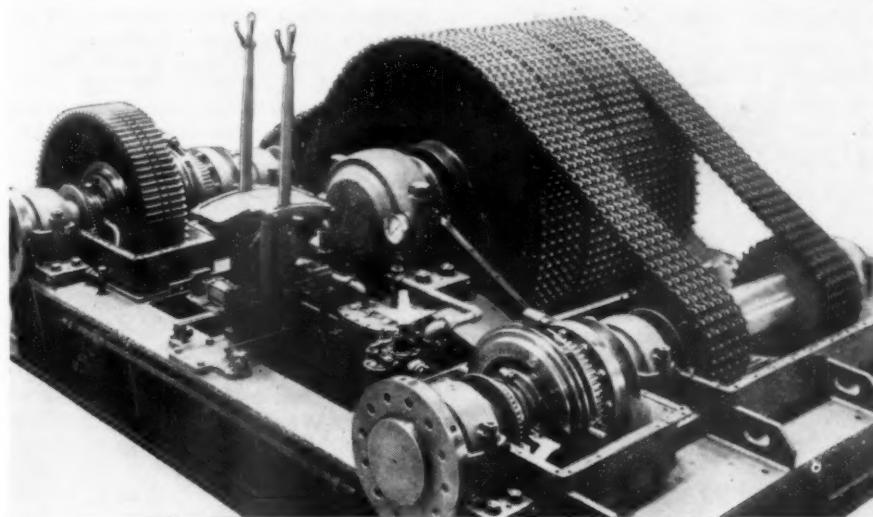
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You don't need "points" or ration books to buy life insurance. What you need is the willingness to give up something today so your family won't have to give up everything tomorrow.

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This Marine Reduction Unit Utilizes MORSE ROLLER CHAIN TO HANDLE POWER MOST EFFICIENTLY

Used to transmit the power of two Enterprise Diesel engines to a single propeller shaft, the reduction unit, pictured, is designed for Navy tugs and other marine uses. As positive as gears, the Morse Roller Chains employed were selected because of their ability to withstand long and rough usage—to deliver high power loads without any power loss due to slippage.

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Steel back of Speed Sweep brushes is the basis of unique construction for faster, easier, better sweeping. Block is $\frac{1}{2}$ usual size - easier to handle. Tufts of longer, better fibres are more compact - provide "spring and snap" action. Handle instantly adjustable to height of sweeper - reduces fatigue and strain. Speed Sweep brushes are built to outlast ordinary brushes 3 to 1.

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... and when it's time for action on your electronic problems, come to Operadio—one of the first to build and deliver the vital Communication Control Equipment shown above on board a "flat-top". The U.S. Navy placed full responsibility with Operadio for its design, engineering, and manufacture. Perhaps the same facilities can serve you!

OPERADIO
Electronic Specialists
OPERADIO MANUFACTURING CO., ST. CHARLES, ILL.

The Retail Battle Royal

(Continued from page 24)
of lines that fit in naturally with them."

Penney's postwar projects also were evidenced by the company's acquisition of Hale Brothers' store in San Francisco and a large unit in Cincinnati. These units will take Penney into the department store field.

For understandable competitive reasons, mail-order houses and chains are not too talkative about postwar plans, but the annual chain store survey of Merrill, Lynch, Pierce, Fenner & Beane, New York, notes:

"Prewar trends probably will pick up right where they left off. Lerner Stores have many postwar locations already picked out."

The W. T. Grant Company has set up a postwar planning board and, when its study of all phases has been completed, "a final program for aggressive action" will follow.

Woolworth's postwar plans have not been divulged, but they are reported to have placed heavy postwar orders in soft goods. The Gamble stores have not only expanded their operations in soft goods, but they have been using small city department stores to test selling and display ideas for application later to their own outlets and authorized dealer stores.

Western Auto Supply Company of Kansas City, operating 241 auto and home supply stores east of the Rockies, has a five-year development program. Western Auto Supply Company of Los Angeles, which limits its operations to the West, has added such new lines as yard goods, draperies, bedding, furniture, floor coverings, housewares and related lines.

New model for drug stores

LIGGETT'S is reported to be using its Grand Central Station store in New York City as a pilot model for super-drug stores throughout the country.

Sears Roebuck and Montgomery Ward have been the subjects of many rumors and reports, but neither has announced postwar plans as yet. One report had Ward's opening up furniture stores in larger communities, featuring exclusively the company's Hallmark line. Sears has been reported to be contemplating the opening of women's wear specialty stores. Mary Lewis, operator of the Mary Lewis Shop on Fifth Avenue, and a merchandising and fashion consultant to Sears, has been connected with these reports. Many in the trade regard the Mary Lewis Shop as a fashion proving ground for Sears Roebuck's retail and mail order women's apparel divisions.

Independent stores' postwar plans follow two patterns. Either branches are to be added, or main store plants are to be expanded. Henry Frankel, president, Younker Brothers, Des Moines, in a letter to the store's customers wrote, "Out-of-town customers will be interested in

our tentative plans for more branch stores after the war. Our Ames store was an instantaneous success."

Saks-Fifth Avenue this year will triple the size of its Chicago store and will expand its Detroit store "when materials are available after the war." Multiple story additions after the war are planned by such differently located stores as Leavitt's, Manchester, N. H.; J. M. High, Atlanta; Herpolzheimer's, Grand Rapids; Kaufman-Straus, Louisville; and numerous others.

Modernization to be common

PRACTICALLY all types of stores plan extensive remodeling and modernization with a view to more efficient operations. Godfrey M. Lebar, editor of *Chain Store Age*, estimates that the construction, modernization and expansion plans of chains alone will involve expenditures of more than \$500,000,000.

Independent department and specialty stores in all sections project additional branches.

One prominent New York store is reported to have taken options on several sites. The White House, Houston, Texas, operating five suburban branches now plans six more. Bullock's, Los Angeles, is reported to be planning branches in Long Beach, Santa Ana and Beverly Hills.

Super-markets and cooperatives are letting no grass grow under their feet. A. & P. and Safeway are reported to be showing an active interest in new sites, and some options have been taken. The super-markets' experimentation with household goods, a result of restricted food sales under rationing conditions, is said to have proved eminently successful, and those goods will stay on their shelves after the war. M. M. Zimmerman, editor of *Super Markets* recently informed interested wholesale druggists that as of July 1, 1943, some 9,619 supermarkets were doing an annual volume of \$3,500,000,000 to \$4,000,000,000, of which groceries and meats accounted for 70 per cent.

Currently cooperatives in the United States are doing an annual volume of about \$1,000,000,000, or three per cent of total retail business. But cooperatives expect to expand their volume considerably in the postwar period. They believe that men in the armed services, accustomed to the advantages of post exchanges, will swell cooperative associations' membership lists. Cooperatives anticipate expansions that will include giant one-stop super-markets, service stations, automobile agencies, neighborhood branch units and, ultimately, department stores of the kind that have prospered in Great Britain, Sweden and Finland.

Any gains in farm population would be reflected in cooperatives' growth because today cooperatives handle one-sixth of all farm supplies bought in this country, and 700,000 farm homes get

light and power from consumer cooperative rural electric associations.

Many communities have already organized their business forces to promote postwar trade and prevent postwar depression. In 1,100 cities, concrete plans are taking form. The Committee for Economic Development, The National Retail Dry Goods Association, the United States Chamber of Commerce and the Department of Commerce, are among those who have been lending aid to local planning bodies engaged in promoting postwar trade and opportunities.

The National Chamber has rendered an invaluable service by charting postwar consumer wants.

The Chamber's third progress report of a consumer survey to measure post-war buying intent for the period immediately following the war's end does not merely outline the markets that await manufacturers and distributors, but also supplies a factual analysis of post-war purchasing power.

Although this and other similar charts indicate a stupendous postwar market is in prospect, Ralph Bradford, general manager of the Chamber, reminds us that "there is reason to believe that the revival of time-payment plans, and the renewal of advertising and merchandising activities will tend to stimulate additional purchases by people who are not in the market today."

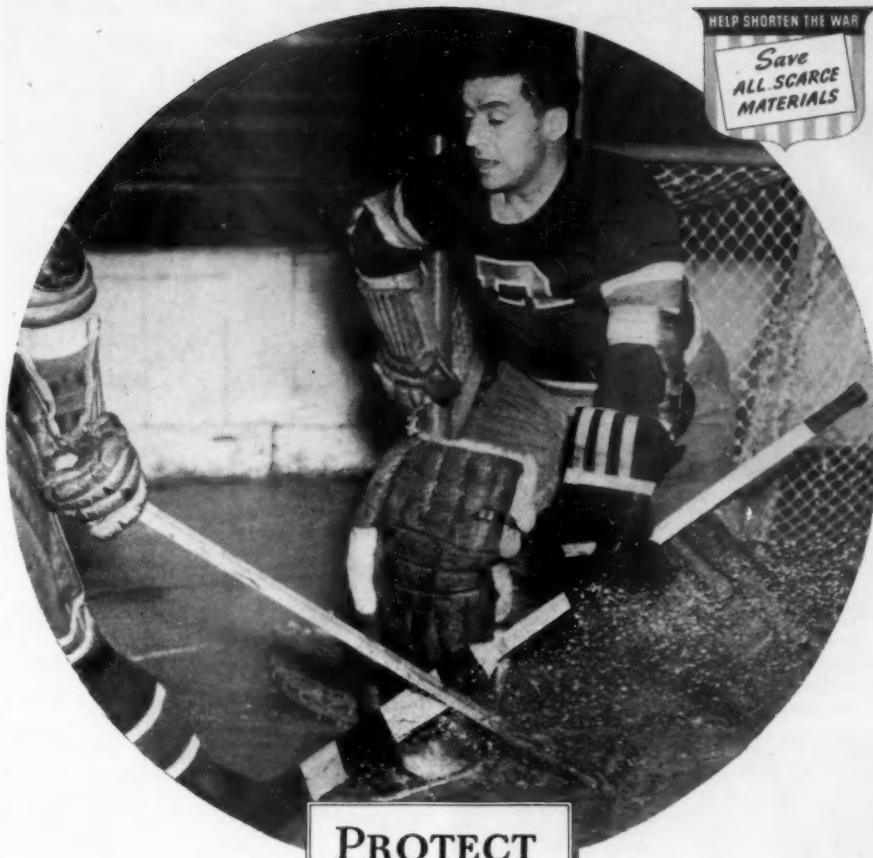
Lower costs to come

RETAILERS agree on one phase of post-war distribution: it will be an era of low-cost operation. John W. Wingate, professor of merchandising, New York University School of Retailing, remarks that, before the war, stores offering limited service were growing faster than the multi-services stores. He concurs with J. Edward Davidson, president, James McCreery & Co., New York, that high taxes and low interest rates, not to mention social pressure, are reducing the ranks of the well-to-do and concentrating purchasing power in the hands of wage-earners.

This means fewer customers for department and specialty stores in the luxury class. Between these two consumer groups is the dominant middle class, largely comprising the 16,000,000 white collar workers who have been most heavily burdened by higher taxes and living costs, and little benefited by wartime income adjustments. Thus, the country's two largest consumer groups have become interested in prices rather than frills.

Consequently, Professor Wingate concludes, low cost operation will be essential to the success of postwar retailing. He envisions retail stores which actually have been tested by mail-order houses and chain store companies, and proved. The W. T. Grant Company, for example, has experimented with total elimination of selling. A few salespersons are available in the experimental store to answer questions and help customers find what they require. Purchases are paid for and packages wrapped at exit counters.

Customers' closer contact with mer-



FORESTALLING every opposing move — that's the hockey player's job!... And where peak production is the goal, *Hardware Mutuals policy back of the policy* provides alert protection in forestalling plant accidents.

The *policy back of the policy* has vital significance for policyholders, for it is a way of doing business that makes their interests our first consideration. When applied to Workmen's Compensation and Liability insurance, it explores the hazards of each individual plant and provides a complete plan of accident prevention. It helps to send production up, and operating costs down. Claim settlements are speedy and sympathetic.

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back of the policy assures full standard protection at low cost. Every year, for more than 30 years, careful selection of risks has meant substantial dividend savings for policyholders. These now total over \$82,000,000.00. Sound, helpful advice and service are provided by experienced, full-time representatives.

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Mutual Implement and Hardware Insurance Company, Home Office, Owatonna, Minnesota

HARDWARE MUTUAL CASUALTY COMPANY

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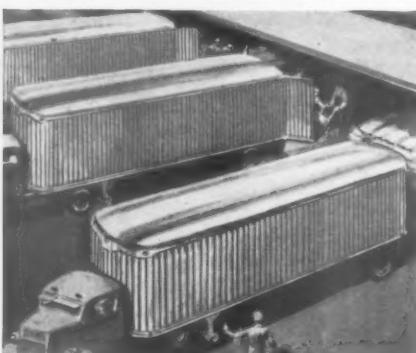


1. TRAILERS RUSHED up these pontons to bridge river in jig-time...other trailers carry cannon into action! A single Army division may use over 300 trailers on regular and emergency duty.



3. ARMY TRAILER EQUIPMENT includes scores of models—transport for planes, tanks, pontons, laundry units, field offices.

2. CLOSE-UP OF Trailmobile model especially designed for swift transport of pontons to river's edge. Hundreds of this type are used by Army Engineers.



4. BACK HOME, Trailmobiles deliver critical factory materials by fast over-the-road transport. They link all points on the road maps, completing our transportation set-up.

How this War does Move!

WITH FLUID FRONTS—spread out over vast distances—the Armed Forces depend on motor transport for lightning movement of equipment and armies.

Back home, motor transport is just as vital to the nation—keeping war materiel and civilian supplies rolling fast!

THE MARGIN OF SAFETY

In this war, motor transport has proved itself the margin of safety in transportation. It is always ready to speed equipment and supplies anywhere—no matter how tough the roads or climate.

It is the most flexible of all means of transport.

Trailmobile Trailers have won military recognition in two wars. Most of our production now goes to the Armed Forces. The Government recently gave us permission to make a number of Trailmobiles for civilian needs. We will build our full quota without any let-up on the war work we are doing.

Look for Trailmobiles on the road. They are serving you.

THE TRAILER COMPANY OF AMERICA • Cincinnati, Ohio • Berkeley, California

TRAILMOBILE

Commercial Trailers for War and Peace • The Vital Link in Flexible Transportation



chandise is said to have facilitated freedom of selection and increased sales. Similar experiments by other companies in Houston and Los Angeles are reported to have met with public acceptance and approval.

The chains are working too on new store designs for the postwar era. Some are contemplating the complete elimination of display window backs to allow unobstructed vision into the store. Entire sides and fronts are likely to be plate glass with pilasters of colored glass or plastic. Backless windows naturally would necessitate revolutionary changes in interior arrangement and display.

Plastic counters and fixtures and fluorescent lighting are strong probabilities.

There is no denying that the mail-order houses and chains enjoy powerful advantages in their strong capital positions, their bargaining power in manufacturing markets, and their low operating costs.

Pooled buying for small stores

IN THE recognition which other retailers have taken of these realities lies their hope of coping with stern competition in the postwar world. The Association of Buying Offices, New York, is working on a program calling for centralized buying designed to give smaller stores the advantages of pooled buying. Independent stores everywhere have increasingly adopted self-service as a means of combating manpower shortages and lowering operating costs. Many costly services and privileges have been eliminated as necessary wartime economies. Few merchants believe, or hope, that these services will be resumed after the war except on a self-carrying basis for the customers who desire them.

It has been estimated that the United States will require a \$75,000,000,000 retail market after the war to assure maximum employment, full-scale production and continued prosperity. There should be room in that market for every present unit in the distributive system and all the additional ones planned after victory. Competition will be intensive, and only the fit will survive, but that always has been a law of the economic order.

The postwar horizon is a challenging one, but its challenge has been foreseen and accepted, and it has been studied and acted upon. Plans necessarily are flexible, but changes can be made in the blueprints without delaying their execution.

Retail distribution in the United States after the war will be governed by a single, major objective:

How to bring the greatest amount of goods at the lowest cost to the largest number of consumers.

It will be an era of opportunity for manufacturer, distributor and consumer. Never before will so many business forces have combined to achieve a practical ideal, the employment of private enterprise in the service of the consuming public.

Bureaucracy After the War

WHILE our fighters are smashing through to victory, the federal bureaus are digging in for postwar permanency, says Lawrence Sullivan in "Bureaucracy Runs Amuck."

EVERY business man is aware of a fat and often heady bureaucracy in wartime Washington, but few have paused to examine details of its structure, methods, aims—or fiscal diet. Not until the Senate Finance Committee discovered that some 35 different federal agencies were engaged in various phases of postwar planning did Congress undertake a systematic vivisection of the Washington establishment.

Through the Byrd Committee on Reduction of Nonessential Federal Expenditures, it found that some 200 new federal bureaus, boards, commissions, offices and administrations had been created by law or executive order since 1933—an average of about 20 additional governing units each year—many of which began operations with an elaborate questionnaire to be filled in, audited and certified in triplicate. Several of these new agencies, while presumed to be discharging purely war functions, were found to be shaping plans for postwar operations on a permanent basis.

Today the federal civil pay roll carries more than 3,300,000 men and women, exclusive of all military personnel. This is about one government employee for every 45 in the national population. In June, 1933, the combined civil rolls of the federal Government carried only 567,000 names, again exclusive of the military.

Drawing together the reports of four congressional inquiries, plus the testimony of scores of business executives who have found their enterprises crippled or curtailed needlessly by hastily drawn experimental executive orders only remotely, if at all, connected with the war effort, Lawrence Sullivan has written a lively documented description of our national government at work and at play. The book, *Bureaucracy Runs Amuck*, is published by Bobbs-Merrill Co., New York.

Everlasting emergencies

SULLIVAN, a Washington journalist with a background of 24 years in newspaper and magazine work, has been a frequent contributor to NATION'S BUSINESS. During the past 15 years he has specialized in the relations of government and business, the present being his fourth book in that field.

"The country recalls vividly," Sullivan says, "that during the period 1933-'36 every new government program was established as an 'emergency' enterprise to fight the depression. The implication

was clear, often stated officially, that the end of the emergency would bring demobilization of the costly programs. But the depression emergency merged smoothly with the greater war emergency, and now we see the war emergency merging again with the even more compelling emergencies of peace."

Although the government has no Department of Official Humor, the Office for Emergency Management does employ a considerable staff of Hollywood artists and gagmen to design pamphlets, posters and cartoons for free distribution to industrial plants, newspapers, magazines and radio commentators.

The aim is to impress upon the people, with the lighter touch, the serious aspects of rationing, price controls and other wartime regulations.

Seriousness of rationing

HERE are two samples of federal wit:

The scene is the Washington Zoo. A small boy, clinging desperately to his toy balloon, is being carried over the housetops, the anguished mother shouting hysterically, "Catch him! Catch him! —it's rubber."

The second delineates an effervescent sales girl in a perfume shop offering a rare item to a bored patron: "You'll love it—it smells like gasoline."

Throughout 16 chapters, Sullivan presents scores of fundamental economic facts tracing the impact of runaway federal bureaucracy on our system of free enterprise and orderly constitutional government.

"Did you know?" he asks—

—that, before the war, the average family in the United States paid more in taxes than for house rent?

—that, although the federal Government operates the largest printing establishment in the world, covering 33 acres of floor space, it still buys outside printing at the rate of \$10,000 a day?

—that one copy of a week's mimeographed material from Washington weighed 46 pounds and 12 ounces, making about 875 columns of type in a standard newspaper—equivalent to the complete New York Times for four days, with no space allowance for advertising, editorials, or pictures?

—that OPA has kept certain foods on the ration list at a point value of zero? (No points required, but still rationed!)

—that, since 1933, new capital invested in U. S. business by private investors has averaged less than ten percent of the pre-depression normal?



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By ROBERT COPELAND

IN KEEPING workers well fed, split-second timing is as important as serving proper food

THE AMERICAN war worker is probably the best fed worker in the world and keeping him that way is the job of a big and little known industry—industrial feeding.

This business, according to some estimates, has a daily "take" of \$2,000,000, or \$14,000,000 a week. Moreover, it is a year-round job with no slack periods. The figures are hard to verify because by far the greatest number of plants handle their own feeding activities. There are also several small operators who take on the feeding job for one or two companies, but about 80 per cent of all contracted industrial feeding is handled by a half dozen major long-time industrial catering firms: Fred B. Prophet Company, of Detroit; Anderson Catering Company, of California; Factory Stores, of Cleveland; Crotty Brothers, of Boston; Slater System, of Philadelphia, and Harding and Williams, of Chicago. Obviously it is impossible to talk to every firm in the business, but a good picture of their operations can be had from any one of them. Let's visit the Fred B. Prophet Company.

Fred Prophet has been in the business for 26 years, first as an individual but since 1924 as a company. He inaugurated the practice of bringing hot dishes to workers at their benches with rolling food wagons at the Curtiss aircraft plants in Buffalo and Hammondsport, N. Y., in the last war.

He started with nine on the pay roll. Today he has 3,800, operating in 72 different plants in 50 cities and 17 states, reaching from New York to California, from Michigan and Wisconsin in the north to Georgia and Florida in the south. The roster includes 70 chefs, 410 cooks, 180 pastry cooks, 1,065 food servers, 640 cooks' helpers and vegetable preparers, 275 salad girls, 465 pot and dish washers and 695 "miscellaneous," which covers dieticians, home economics specialists, executives, man-



Recipe for beef stew: 800 pounds beef chuck, 200 pounds potatoes, 120 pounds carrots, etc.

agers and the general office workers.

Each day this organization, through 90 cafeterias and 308 rolling wagons, serves an average of 250,000 workers in one way or another.

It may be a full meal, ranging from 35 to 50 cents, it may be a hot sandwich or another hot dish from the chuck wagon to round out the brought-from-home dinner pail, or it may be a five-cent cold drink or candy bar.

Huge market basket

THIS goes on over a three-shift, 24-hour day. For the statistical minded it means 1,750,000 servings in a seven-day week, or in a year this one company sells somebody sustenance 81,000,000 times.

As a consequence Prophet's "market basket" is one of the biggest on earth. Here's what went into it for the year ending October 30, 1943:

Meat and poultry	5,561,520 pounds
Potatoes	6,202,092 "

Sugar	628,626 pounds
Fish	375,030 "
Coffee	583,524 "
Table butter	256,626 "
	or 15,397,560 squares
Milk	15,509,094 quarts
"Ice Cream	1,621,608 "
Bread	1,863,594 loaves
Pastries	3,001,764 dozen
Eggs	333,570 "
Soft drinks	986,202 cases
Candy	582,186 boxes

It would be a job to stock a larder like this at any time. With rationing it's harder. However, and Fred Prophet is emphatic on this, the many rationing boards involved are, without exception, helpful, cooperative, fair and honest.

To "dish up" this food Mr. Prophet needs, among other things, 300,000 knives, 200,000 soup spoons, 1,200,000 teaspoons, 600,000 forks, 400,000 dinner plates, 450,000 coffee cups and saucers, 300,000 trays and 1,200,000 small plates for pie, salads and bread and butter. With such a stock of table ware, there's bound to be a shrinkage from wear, loss, breakage and pilferage. It averages \$495 a day.

As much of the food is bought locally as possible, for two reasons—most of it is perishable and to spend the money in the community where it is received.

To satisfy the varying tastes of workers in different sections the menus are planned locally by each division manager, rather than from the home office, although "headquarters" provides a calorie-counted and vitamin-packed overall pattern.

Down South, they want fried chicken, ham-and-yam, grits, "black-eyed Susies" (peas), pork, corn bread, turnip greens—in short, lots of fried and highly seasoned food. Eastern workers are strong for sea food, while mid-Westerns prefer beef or pork and fresh vegetables. The West wants salads, fruits, fresh vegetables and lamb.

A few "sure fire" numbers are universally popular: roast beef, baked ham, beef stew, chicken, mashed potatoes, green salads, cream of tomato and vegetable soups, fresh vegetables, and apple pie.

The individual's appetites and likes are generally governed by the type of work he does. A "heavy duty" guy will go for the red meat, while the office worker takes more readily to salads, soups and

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This is Emily Mallia Speaking . . .

My husband, Mike,
is a Corporal in the Army.

He's been gone nearly two years now.

I like to think of him as carrying one of these
.30 Caliber Carbines wherever he goes.

We make them here,
and it's comforting just to know that my hands
helped make a part of what he's fighting with.

I know that when Mike shoots his gun,
the bullet will go straight where he aims it because
practically everyone in the U E F plant here has
his own personal reason for putting his heart
and mind into the work.

You see, nearly everyone of us has somebody
in the Armed Forces who's fighting for us.

For us—and for you, too . . .

And for the way Mike and I want to live . . .
in peace and comfort—after the war's won.

So we all say: Speed the guns . . . to speed that day!

EMILY MALLIA—Badge No. 5301

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fruits. Many is the case where the real meal of the day is had at the plant, especially where both husband and wife are working.

"Executive" dining rooms get food from the same kitchen that supplies the workers. The white collar brigade menu may differ slightly from the main cafeteria, but only because the man at the desk is not as hearty an eater as the man at the machine. But the "front office" has to pay more to cover additional service charges.

Women like the food

PECULIARLY enough, with all the women now in factories, there is little "back seat cooking." More squawks on why-don't-you-cook-it-this-way-instead-of-how-you-do come from men "experts." Women workers have been instrumental in increasing the interest in vegetables and salads among the "meat-and-potato" old-timers.

The advent of "Rosie the Riveters" did pose a production problem in cafeterias at first. By taking more time than men to make up their minds as to what they wanted, women have increased the average serving time from seven minutes to nine. Managers were irked for a while but the chefs and cooks loved it. They felt it was a tribute to their cooking that the girls found all the dishes tempting and hard to resist.

A delay of 120 seconds meant readjustments in this league where stopwatch timing plays a vital part.

"The problem of time schedules for crack extra fare trains is simple alongside our routine," says Fred Prophet. "A train that is five or ten minutes late along the route has a chance to make the loss up before reaching the destination.

"We don't. We have to be open and

ready the exact second an eating period starts. We have at most 15 or 20 minutes to sell our wares and serve our public. If the lines do not start moving on the dot, the workers are not through in time to be back at their tasks. And if all the line hasn't been served, we're left with unsold, and highly perishable food.

"We actually work six to seven hours just to get ready for those few minutes of counter action. Then, after the eating period, we work another three to four hours cleaning up for the next operation. Practically 60 per cent of our labor hours are on the 'readying up' job. This includes the washing of all dishes, cleaning of utensils, stoves and other heavy equipment as well as spick-and-spanning the cafeterias and rolling wagons."

Professional catering procedure on contracts with plants is comparatively simple. Generally, the plant owns the building and the equipment, including stoves, ice boxes, tableware, tables, chairs, etc. Catering executives hire and pay their own help, buy all food, pay all bills. A percentage of the gross income, depending on the volume, is returned to the factory to justify the investment. On new installations, or on remodeling jobs, these people will supervise the purchase and installation of all equipment, as well as provide a design or physical layout, for the plant.

Mr. Prophet's operation is largely a "team" activity. It has to be to cover so much ground. The "Four Horsemen" as the inner circle is sometimes called are:

Fred Prophet, head man and signal-calling "quarterback."

Dave C. Waggoner, senior vice president and associated with Prophet since the day he started in business.

Arnold J. Oggier, native of Switzerland and like his father and his father's father before him, always professionally

engaged in the world of food. Oggier is general operations manager.

W. Scott Tyler, Jr., with the "club" for more than a decade, heads up industrial relations.

Now, with all this experience in taking good care of a large slice of the nation's hungry workers, what one top suggestion would a man like Prophet have for plant management?

"That's easy," says Fred. "I'd tell them to make possible more 'snack' or 'nibble' periods for all workers.

"A worker goes to work on the seven a.m. shift. The scheduled lunch period is 11 o'clock. The worker probably ate a quick pick-up breakfast at six. Coffee fixed on the back of the stove. A roll. Maybe eggs, though probably not. Maybe a ready-to-eat cereal. Fruit? Perhaps.

"What that worker likely doesn't know is that by nine o'clock he will have hit the peak of his efficiency and be on the ebb the rest of the morning. Scientific tests show that most individuals reach top efficiency about three hours after each meal.

Fatigue that's only hunger

"IN nine cases out of ten, late forenoon or late afternoon lassitude is due far more to lack of food than fatigue.

"Many plants have stepped up to this situation and allow—in fact, encourage—mid-morning and mid-afternoon snack sessions. There are two ways of doing this. One is to bring a snack to the worker at his post on the wagon, and the other is to let him go at a scheduled time to a nearby stationary canteen.

"Results in increased efficiency and output where such practice is standard more than justify the little amount of inconvenience caused by the original disruption or 'change over.'

"The sooner industrialists generally



Practically 60 per cent of the labor hours are spent washing dishes, cleaning utensils, stoves and other heavy equipment as well as spick-and-spanning the cafeterias and wagons

FISHER BODY

recognize this, the sooner will plant 'bootlegging' be ended. Maybe you don't know it, but 'bootlegging' of food is a big business in those plants where canteens or rolling wagons are banned.

"If you happen to be in a plant where there is no canteen service, you'll soon spot some worker with a bulging shirt and overly filled pockets. Within a few minutes another worker will sidle up to him to buy a candy bar or something else with food in it. Or walk down the streets in a factory district. You'll find one or more pushcart peddlers slowly patrolling a beat alongside a plant wall. Soon a window will open. If it's on the first floor, a worker's head and shoulders will emerge from the opened window. In one hand the worker will have a pole, the kind you use to open windows. He'll lean out and talk to the huckster who will fix up a package or bag, hang it on the end of the pole and, bingo, another snack banquet is about to start.

"If the window opens on the second or third floor, a basket will be lowered on the end of the rope. In the basket will be the 'grocery list' which the man in the street promptly fills.

"Arnold Oggier once landed a contract by taking an 'I-don't-believe-it' plant manager down to the street outside his own factory to show him what was really going on.

"Recent checks in big plants which do give snack service show declining accident rates and increased output. You can't expect much more than that."

Exit Vandals

Troubled by a gang of neighborhood boys who rode trucks, stole equipment and stoned windows, Charles W. Perry, branch manager of the United States Plywood Corporation, High Point, N. C., three years ago, organized the youngsters into a boys club to protect the company's property. His results:

"The boys have been taught many helpful things better to prepare them as future citizens," says Mr. Perry. "We have not had an electric light or window pane broken in more than 18 months. Nor have we found it necessary to suspend a member in two years."

Members of the club are each paid 25 cents a month as "watchers" of the company's property. A birthday rates a bonus of ten cents. Meetings are made so interesting that a member seldom misses. Holidays are celebrated with special programs. Always there are refreshments.

Number of members varies according to the number of boys in families within three blocks of the company's warehouse. Lowest enrollment has been nine, highest 21.

Mr. Perry admits that the project was started to save money, but after meeting with the boys he says: "I have become so attached to them that I carry on this work, not as a selfish plan, but for the real good that is being done in training the youngsters."

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Pierre Van Paassen, in his "Days of Our Years," discloses that the selfish interests of close-sighted Army and business leaders resulted in France's downfall. When the People's Party won the national election, narrow-minded, class-conscious opponents actually sabotaged the internal structure of France so that Germany found the road to Paris well-paved.

In America, our differences are just as intense—but they are *family arguments*, not class wars, and are settled by Americans in the traditional American way, with ultimate acceptance of the expressed will of the majority. Let's keep it that way!

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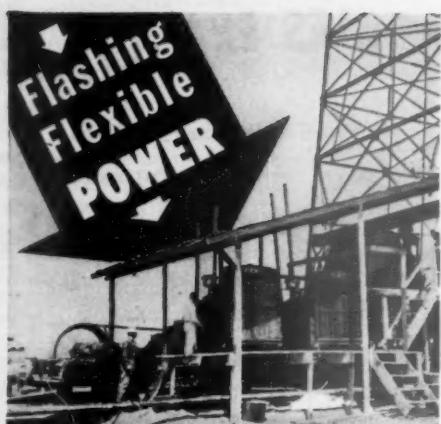
Acme air-cooled transformers (up to 75KVA) institute economies in plant maintenance and operation.



For the post-war world, Acme transformers for Luminous Tube Signs, Cold Cathode Lighting, and Fluorescent Lighting will again be available.

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MARSH

Dollars Away from Home

AMERICANS own property of one sort or another in every country on earth. Just where and how much, the Government is now undertaking to determine.

The U. S. Treasury is asking citizens to list their foreign property whatever it may be—woolen mills in Australia or paintings in Persia.

Refugees, too, are being asked to report their holdings, but only tangible property "lost" in other lands since their arrival here, not property taken away from them while living abroad.

The Government will put this information to good use: in protecting the interests of the property owners; in helping solve the problems of military and occupation governments as our troops advance; in discussing balance-of-payment questions at the peace table; in making plans for postwar money stabilization and revival of foreign credits and investments.

Already 126,000 citizens have reported their foreign holdings. The figures show investments, under 120 different administrations, ranging from \$2 to more than \$7,000,000.

Dollars travel widely

UNLOOKED-FOR investments of \$500,000 are reported in Albania, about \$1,000,000 in Thailand, and \$200,000 in the Anglo-Egyptian Sudan. Madagascar, Saudi Arabia, French Oceania and British Guiana are among the far-off corners to which the Yankee dollar has gone.

The Treasury had estimated that Americans might own about \$1,000,000 worth of property in British Malaya. Reports which came in during the first few days showed \$10,000,000 worth.

In a breakdown of the early reports, the Treasury lumped in one category certain small items, such as wearing apparel, luggage, automobiles, homes, furniture, books, etc.—and the total passed the \$1,000,000 mark. The owners include lumbermen, Greek business men, southern planters, cattlemen, geologists and farmers—the sons and daughters, wives and maiden aunts of men who had at one time bought a tin mine on the Malaysian peninsula, an atoll in the South Sea or a coffee plantation in Honduras.

About \$3,100,000,000, or 34 per cent, of the foreign holdings listed in the first returns, represent mining stocks, railroad stocks and property in Canada.

Total American stake in foreign countries, so far revealed, exceeds \$9,100,000,000, with the total for properties in the six Axis countries running more than \$1,000,000,000. As further reports are tabulated, both totals are expected to increase greatly; the first to more than \$11,000,000,000. The latter total will far exceed all Axis assets in the United

States, now estimated to be \$450,000,000.

Our investments reported in Latin America total about \$2,400,000,000. Cuba leads with more than \$614,000,000, almost double that of the next country, Brazil, which is \$337,000,000. Our Argentine holdings exceed \$310,000,000.

Investments in Germany are the second largest reported so far. While refugees account for part of the total, the German dollar bonds (such as the Dawes and Young Plan issues) loom large in the holdings of citizens of German extraction, particularly in the Middle West.

Investments in sections

SURPRISES in the form of first, second and third generation links between American citizens and a former homeland are revealed. Investments held by people in foreign population centers, reflect the strong ties that still exist.

In Minnesota, for example, the reports show large holdings of securities and other properties in the Scandinavian countries. Down Louisiana way, the citizens go in for French investments—holding chateaux, farms and bonds which have been handed down from father to son for generations. Citizens of Italian extraction have poured American dollars into Italy to buy small farms and birthplace homesteads for the "old folks." On the other hand, Americans of Greek extraction are likely to be cosmopolitan in their investment views. They go in for apartment houses, stores and farms in old Greece—but always with an eye for profit.

Citizens of the Mississippi Valley hold hundreds of thousands of foreign-dollar bonds, principally of Latin American countries—due, no doubt, to the concentrated efforts of security salesmen in that region in the late 20's.

Strange items of property

ODD holdings come to light every day. They range from large factories to personal effects of important sentimental, but small intrinsic value. In a long list submitted in one report are six sets of women's woolen underwear, valued at \$4 each. Another claims ownership of Madame Du Barry's bed, complete with authenticated autograph (it doesn't say whose!). The son of a famous French painter lists several of his father's paintings and tells their hiding place. One lists the confiscation of six Mercedes cars by the Nazis. A man tells of \$150 buried in the cellar of a house in Greece.

Other properties brought to light are villas and homes by the Italian shore; flour and weaving mills in Czechoslovakia; paper mills, antiques and stamp collections in Poland; a modern food-packing plant in China; a rope and twine factory in the Philippines.

Every now and then the Army finds useful information in these reports. To give a hypothetical example:

Perhaps an American is vice president of a large food manufacturing concern in a country we occupy. He knows responsible persons in the area who might be called on to produce the commodities. Because of his American absentee ownership, competent people might be brought in—from America, if necessary—to reopen the plant. Many individuals and corporations own a vast number of plants abroad that can be turned to relief and rehabilitation use.

However, the immediate usefulness of such information to our armed forces is comparatively slight in relation to its long-range importance in postwar negotiations and settlements.

The Treasury points out that any person holding foreign securities or other foreign property, and who has not reported, should do so. Forms on which to make the report are being distributed by Federal Reserve and commercial banks.

The Treasury is interested in the early receipt of the information, rather than the application of penalties. Willful failure to file will invite heavy fines.



Engines for India

Locomotive Shops at Montreal and Kingston, Ont., which for many years have been building locomotives for Canada's railways, are now busy turning out 145 locomotives for India.

Each of the new locomotives will weigh 161 tons, will carry 13 long tons of coal, 4,500 gallons of water—and will be capable of pulling a train of 50 loaded cars over the 66-inch-wide roadbed of the Indian State Railways (nine and a half inches wider than the standard on our continent).

The locomotives will be named after Indian cities and will bear the Star of India on wheels, sides and front. First completed unit was recently handed over, at ceremonies in Montreal, by Harry J. Carmichael, coordinator of production of Canada's Department of Munitions and Supply, to K. C. Mahindra, head of the India Supply Mission in Washington.

On November 23, 1942, we inserted the following advertisement in the newspapers. The thoughts expressed in it are even more important today than they were when first published.

MONEY TALKS

Make it speak the only language
the Axis understands:

THE RUMBLE OF TANKS
THE ZOOMING OF PLANES
THE CRACK OF RIFLES
THE ROAR OF CANNON
THE BURSTING OF BOMBS

BUY WAR BONDS

INTERNATIONAL BUSINESS MACHINES CORPORATION

Let us meet now
in post-war
council!



If your post-war effort will require imaginative engineering of special machines, tools or dies; experimental work, or mass production of parts or assemblies, we should like you to learn now about our capacities.

We believe that establishment of common interest now, will be of mutual benefit later.

I invite industrial executives to write me personally for a copy of "When the Shooting Stops!"

Joseph J. Cheney, President

WE OFFER
INGENUITY
After Victory

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NEW



... for product designers and executives concerned with postwar products

In developing new products and improving the operation and salability of old ones—modern fabrics are now being widely used. Because many of the new fabrics have physical and chemical characteristics heretofore attainable only in metals or plastics, they afford both functional and economic advantages.

The new, illustrated C. K. Turk book tells how modern fabrics solve scores of problems—how to find out whether they can give your product competitive advantages—how you can get help in the design, engineering and manufacturing of fabric parts or products.

Ask your secretary to write for your copy of "Modern Fabrics Engineered Into Products."



THE C. K. TURK CORP.

Product Development Div.

333 North Michigan Avenue, Chicago 1, Illinois
Factory and Home Office: South Bend, Ind.

PRODUCTS MADE OF FABRICS

*Multiply him by
1,458,912...*

MULTIPLY him by 1,458,912 and you have the number of passengers who rode The Milwaukee Road's Hiawathas during 1943—as many people as the population of Milwaukee, St. Paul, Minneapolis and Tacoma combined—the equivalent of the personnel in ninety-seven infantry divisions!

Many of those Hiawatha passengers were men and women in uniform—traveling under orders or on furlough. Many others were civilians on missions vital to war production. And to the credit of Americans, let it be said that trips "just for pleasure" were few and far between.

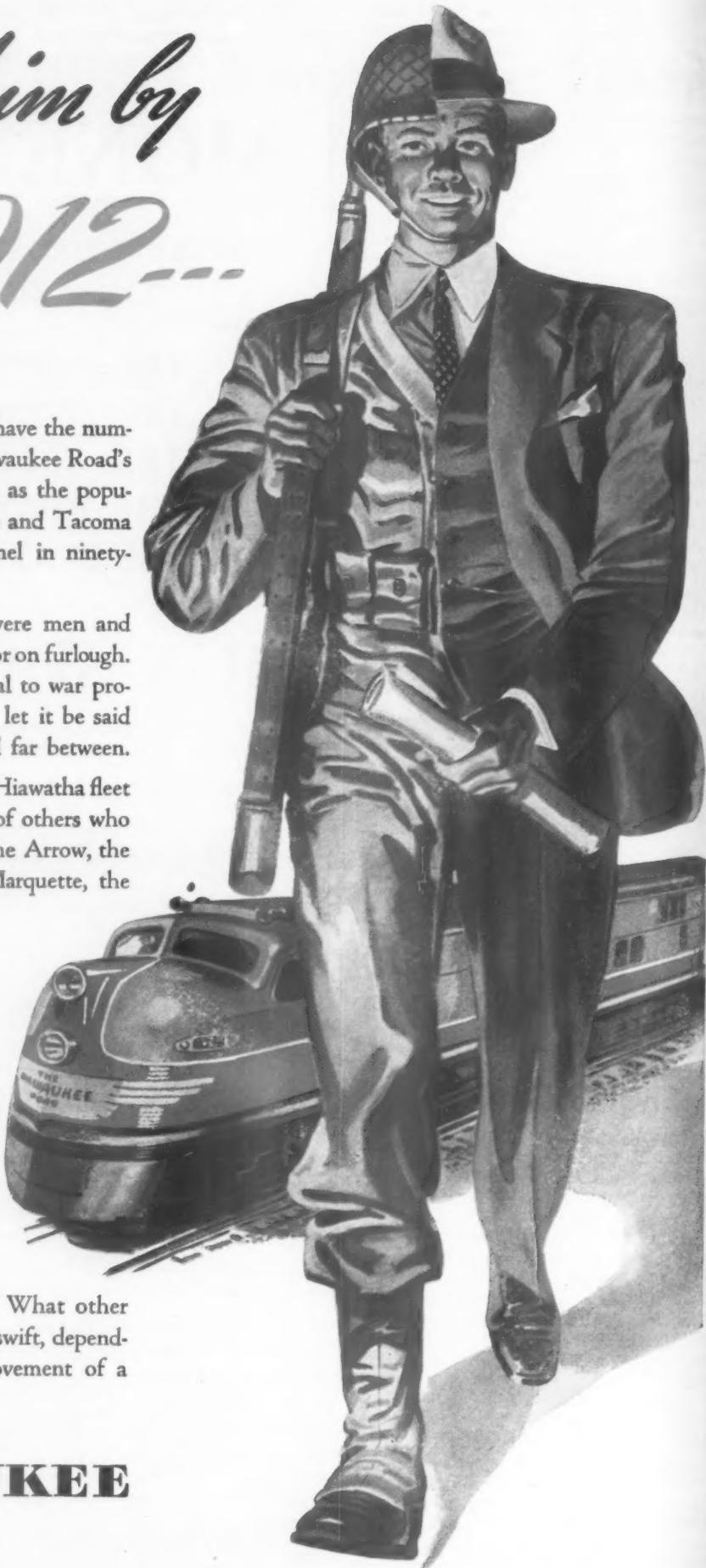
The nearly a million and a half that the Hiawatha fleet carried last year were swelled by millions of others who rode the Olympian, the Pioneer Limited, the Arrow, the Southwest Limited, the Chippewa, the Marquette, the Sioux and other Milwaukee Road trains.

In addition, hundreds of thousands of men in the armed forces were transported to camps, maneuvers and embarkation ports on special trains via The Milwaukee Road and its connections. Altogether, America's railroads carried over four times as many passengers during 1943 as they did in recent pre-war years.

What form of transportation, other than the railroads, could keep the nation's passenger traffic moving so smoothly under existing war conditions? What other form of transportation could provide such swift, dependable, economical service for the mass movement of a nation of 133,000,000 people?

THE MILWAUKEE ROAD

SERVING THE SERVICES AND YOU



Capital Scenes... and What's Behind Them



What's going on at home?

THE SENATOR said the saddest thing that ever happened in his family was when his Aunt Sarah won the crab apple jelly prize at the state fair. The State Journal ran her picture over half the front page and she was asked to talk to women's clubs. His own predecessor, said the Senator, never would have been re-elected except that he unbuttoned his collar and went over the state talking about Aunt Sarah's crab apple jelly.

"When Uncle Jerry died, she couldn't be held down. People said he was a kind of a tightwad, but he paid his debts and had money in the bank and 400 acres of the best black loam in Pin Oak county. Aunt Sarah began to make crab apple jelly her career."

So she lost the farm, the Senator said. Her boys kind of got away from her. One of them went into the dachshund business and you never saw him unless he was practically submerged in those nice midget dogs, all wagging their tails. Last heard of another he was hightailing it out of some country where he had been trying to save heathen souls and another had gone to town so his wife could have social contacts. Aunt Sarah is tossing wheats in Yee Wee Blue Platter.

No more apple jelly

HE thinks the people are beginning to pay more attention to their own business:

"That isn't just right. It would surprise you to learn how many of our folks have been watching our national business. But they have been a bit confused. It takes a long time for 136,000,000 people to get the facts sorted out."

More especially as they did not get the facts. No one told 'em about the bees and birds.

"We've been hectored and schoolmarmed and told what we ought to think and do. Daggone it, if they'd just tell us the facts we can make up our own minds. We're mostly grown up. We're getting tired of being told we are complacent when the fact is most of us are mad as hornets. We're losing our taste for crab apple jelly."

Not that way in Britain

OVER in Britain, he said, the folks know down to the last farthing what they are fighting for. Life, for one thing, and the

Empire. Put the Empire and Life together, he said, and it spells business when the war is over, and business means profits and fish and chips and a Saturday night ale that means something. No confusion in that, or "complacency."

"They're in there slugging every minute."

The British have a pretty competent government, too. A Subchief is entitled to make one mistake, like a dog gets one legal bite, but if he makes too many he goes out the window like a pinwheel. Same way in Russia, except that if Subchief Ivan pulls a boner Stalin tells him to kiss Mama and the babies goodbye. Our people fear we have a kind of a No Man's Land between the efficiencies of Industry on the one hand and of the Army and Navy on the other, and it is filled with fuzz. They like tough leaders when they are fighting a war. Corner any congressman you know—said the Senator—and get him to talking out of the side of his mouth. He'll tell you. He's been hearing from home.

Congress is going places

GET right down to cases, said the Senator, and allow for the lag inevitable in democratic processes, and you'll find that, when the pinch comes, Congress is likely to be fairly non-partisan. Congress follows the folks back home, and the less of the facts the folks hear the longer it takes them to make up their minds. Lately Congress has been getting grapevine messages from the sticks:

"Let's talk old-style American for a change. That sounds better than to say we've been hearing from the *hinterland*."

Congress has been hearing gossip about the future in Europe that is turning kind of sour on the stomach. Maybe a New Europe is to be coopered up out of what is left, but on Capitol Hill, said the Senator, we think that job might be left to the Europeans.

Congress will ask for answers

HE said it is sure as eggs is eggs that Congress will insist that Americans shall be taken into the know:

"We're losing our taste for signing promissory notes with the sum left blank."

The Hill, he said, is satisfied with the

assurance that a postwar combination will keep the peace for awhile. But have you noticed, he asked, that nowadays the Big Fellows are talking of keeping the peace "in our generation?" The promise of perpetual peace has been dropped. He thinks that is a sign that we are getting back toward realism.

"I mean the people are getting back."

Military chiefs run the war

ONE thing pleases the old gentleman.

"I was getting kind of an idea," he said, "hearing all this talk about the Commander in Chief, that maybe the President was trying to tell the generals and admirals how to do their job. But he isn't."



The Combined Chiefs of Staff, he said, which on this side of the water is General Marshall, are not being interfered with. There was some talk at one time that General Marshall might be sent to Europe to boss everything, but the Army said No.

"I don't know how the Army said it, but I know it was said."

Churchill and Roosevelt decide on policies and politics—"which is ok"—but only Stalin is both soldier and statesman. He is a sure enough Commander in Chief. Not a Russian soldier moves except he has approved the plans.

This is a reason why

THE American Legion revealed that the maimed and blinded and sick soldiers returned from overseas have not been getting even maintenance pay when they are discharged as unfit for further duty.

"They have to live on their fat," said the Senator. "Some of their wives are taking in washing."



Their cases have not been reviewed by the Veterans' Administration for from four to eight months after discharge. This is not the fault of the V. A. For two years the V. A. has been asking that it be taken on as a war agency and enabled to keep its clerks from jumping ship to the new agencies where the pay is better. But no one in authority would listen. All the masters were too busy fixing up a New World. Nuts, said the Senator. Now many maimed soldiers are beginning to look around for apples, just as they did after the First War. And more coming.

The war of the bureaus

AND in the meantime—

The management of the affairs of the veterans will be one of the big industries for the next half century. Pie in the sky for the bureaucrats. Chains of hospitals, regiments of doctors and nurses, billions to spend, lifetime jobs and sure spots on the radio. So the half dozen bureaus which now have little pieces of the veterans' business are moving in, each to get it all. If one bureau can drive all the other bureaus out it will be in one of

Another Reason for remembering OHMER as you make your plans for peace



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The time to stop an error is before the sale is rung up. An Ohmer Register does just that. The full amount is indicated on both sides of the register BEFORE — DURING —and AFTER each registration. This feature stops mistakes in registering—reduces overages and shortages—enforces a more accurate record of each transaction.

Pre-indication is one of many Ohmer features that is worth knowing about today—and worth full investigation tomorrow when we again can make and you can buy an OHMER. Ohmer Register Company, Dayton 1, Ohio.



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the sweetest nooks any bureaucrat could dream of.


"Let's be fair about this. So far as I know the Veterans Administration has not been to blame for the neglect of the wounded soldiers. The Bureau of the Budget controlled the situation and the V. A. was starved."

One of the Senator's hunches

HE thinks that before the present session is ended it may be—it is barely possible—that the Bureau of the Budget will be handled by Congress. Something will ultimately be done.

"Trouble is that so many things must be done to bring some order into No Man's Land."

The original plan was that the Bureau of the Budget would report to Congress on the probable spending of the Government and the revenue needs. But the Budget has become merely a part of the executive establishment. Whatever the theory of operation may be in actual fact it simply takes orders. The job could be as well done by a committee of Congress. Perhaps better done.

Light in a dark place

THE Senator said he is suffering from a loss of veneration for the Washington correspondents. They muffed a story, he said. They aren't Superman to him any more, he said. They're more like Dick Tracy.

"Look," he said, "I've been talking with some of the correspondents who participated in that historic interview from which Chief of Staff George Marshall emerged about as anonymous as Winston Churchill. They came away with the distinct impression that Marshall had three bitter gripes;

"One was against Labor for threatening a strike in the middle of a war;

"One was against the lack of finesse with which the Administration's gang bosses handled the whole incident;

"One was because the Army had been called in. These reporters register a conviction that Marshall implied that this was a terrible and an irretrievable error, that the Army is not to be blamed."

That, he said, was the Big Story. It was bound to become public. The reporters, he thinks, should have pointed this out to Marshall. They should have told him that no story of such importance could be tucked forever to an anonymous source. But they centered on Marshall's criticism of Labor—which had its political bearing—and did not carry through on the important two-thirds of his talk.

"George," he said, "is so honest he is naive. He thought he could put the situation before the reporters and he did not dream that they were mostly just out for headlines."

We're just beginning to fight

THROUGH his interlocking committee memberships he gets a fairly com-

prehensive view of what is going on. Like in the so-called threat of a railroad strike.

"The Army didn't like being called into that," he said.

The Army chiefs, he said, are looking ahead. They want to keep an army in being until the storms in Europe no longer threaten us. But, if the people get the idea that the Army can be used in politics, you can figure out for yourself what will happen to the Army when the war ends. That will not be in a hurry. About 4,000,000 soldiers will be in Europe before we occupy and smash Germany. A smaller force would be an invitation to disaster. Marshall will not move until he is ready.

An enormous transport job

IN one convoy alone 800 vessels were used. Figure ten tons to the man for the initial installation and more than a ton a month for the upkeep and it can be seen that our hands will be full. This does not take into account the needs of Russia and Britain and our forces in the Pacific.

"I think Japan will be smashed more quickly than we have been hoping. Once Germany is out of the way the combined American and British fleets will be able to corner the Jap fleet and ruin it. British units are already beginning to gather in the Pacific."

Germany will take an awful lot of doing. They're a tough people, said the Senator, and their armies are still good. Once the Jap fleet is disposed of, the scattered Jap forces will be exterminated or left to fester away on the islands.



And another little thing

AFTER the war we will have the largest mercantile marine in the world. If we do any business we'll need it. The more of it we give away the less business we will do, because other nations can run ships at lower costs than we do:

"Maybe you'll say that isn't right," said the Senator, "but it's a fact."

So he thinks we will get down to brass tacks. He believes that Congress—having listened to the grapevine—is not in the giveaway mood any more. We may even hold on to the best of our cargo ships. He thinks that the global philanthropists will be batted down when the war is over. It's all very well now to talk of making over Germany into a second rate power and cooping up Japan in the hope that the Japanese will bite each other to death, but in cold fact the world cannot afford these luxuries. We will, he says, pin their ears back to their scurings but we will wish to go on buying and selling.

Herbert C. Corry